



DEPARTMENT OF THE INTERIOR

A PLAN FOR CITIZEN-CENTERED GOVERNANCE

ADDING CUSTOMER VALUE
BY LINKING ACCOUNTABILITY,
MODERNIZATION AND
INTEGRATION

SEPTEMBER 2001

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I. INTRODUCTION

“This Administration is dedicated to ensuring that the resources entrusted to the federal government are well managed and wisely used. We owe that to the American people.”

President George W. Bush

Implementing The President’s Management and Performance Agenda

On August 25, 2001, the Office of Management and Budget released the President’s Management Agenda, an integrated plan to reform the Federal Government. The agenda sets out specific steps to accomplish reforms through five government-wide initiatives and nine program-specific initiatives. Additionally, the agenda launches the President’s “Freedom to Manage” plan to remove barriers to high performance. The five government-wide management reforms are:

- Competitive Sourcing
- Strategic Management of Human Capital
- Improving Financial Performance
- Expanding Electronic Government
- Budget and Performance Integration

The Secretary’s Management Vision

“To be a responsive, dynamic, and relevant government agency which serves its citizens, we must focus our attention on citizen centered governance.”

Secretary Gale Norton

Secretary Norton has outlined a vision for effective program management at Interior that is organized around the “four Cs:” Conservation through Cooperation, Consultation, and Communication. The Secretary has also developed a management reform strategy based on four key principles:

- C **Customer Value** – Ensuring that all of our activities add value and ensure the effective use of resources.
- C **Accountability** – Establishing clear performance measures and holding our managers and employees accountable for results.
- C **Modernization** – Using technology to work smarter and provide single points of access to our services.
- C **Integration** – Identifying opportunities to avoid duplication and achieve economies to enhance customer service and efficiency.

Interior’s Integrated Management Strategy

This report lays out the Department's strategy to improve delivery of the Department's programs and services. The strategy integrates the President's vision for management excellence. The Department's management reform strategy closely follows the President's Management Reform Agenda, tailoring it to the unique mission of the Department. The strategy also addresses the issues identified in the Department's Workforce Analysis Report, which was submitted to OMB on June 29, 2001.

The Department's workforce analysis indicated that the Department faces skill imbalances and recruitment and retention issues that must be addressed for the Department to fully meet its mission responsibilities in the coming years. Our analysis led us to identify several immediate opportunities to restructure administrative services and use information technology to better respond to workforce challenges, provide effective E-Government services to our employees and the public, and improve the efficiency and effectiveness of the Department's operations. The analysis, in conjunction with our Federal Activities Inventory Reform (FAIR) Act inventories, also led us to identify several functions suitable for immediate consideration for competitive sourcing.

As we implement the changes outlined in this plan, we will seek additional opportunities to better advance our mission, identify roadblocks to their achievement, and build accountability for results. We are committed to customer service and management excellence and will utilize the talents and resourcefulness of our dedicated employees to develop creative approaches to make the Department a more responsive, dynamic, and citizen-centered agency.

Highlights of Interior's Management Reform Plan

The following are highlights of our planned activities under each of the President's management reform initiatives and other areas that will improve the delivery of the Department's programs and services. More detailed information on each of these activities is presented in Section III.

A. Competitive Sourcing

The Department's competitive sourcing program focuses on performance. We must find and implement the best, most cost-effective ways to provide quality products and services to our customers, whether that is with our own employees or with contractors. We will assess how our services can be improved by self-examination in a competitive situation. We are implementing an aggressive competitive sourcing program to meet our FAIR Act goals. Our FAIR Act target for FY 2002 is to compete or directly convert over a thousand FTEs. Our target for FY 2003 is to compete or directly convert more than two thousand FTEs.

- C *In order to ensure a consistent approach to organizational analysis, performance enhancement, and the identification of competitive opportunities, all Departmental bureaus and offices are required to meet or exceed the 5 and 10% competitive sourcing goals.*
- C *To provide guidance, assistance, and oversight of this effort, we are creating a Center for Competitive Sourcing Excellence. This center will be the central hub of a Department-wide competitive sourcing effort.*
- C *Ninety seven percent of our identified commercial functions employ ten or fewer employees. Due to this fact and the length of time needed to complete formal A-76 cost comparisons, the Department's bureaus and offices will focus on initiating and completing competitive studies of identified functions with 10 or fewer FTEs in FY 2002. In addition, we will examine opportunities in functions with more than 10 FTE where A-76 type cost comparisons can more effectively be utilized.*

- C *In FY 2003, additional competitive studies of functions with 10 or fewer FTEs will be initiated and completed. A-76 and Streamlined A-76 (65 or fewer FTEs) cost studies initiated in FY 2002 will be completed for the over 10 FTEs functions, and additional cost studies for aggregated business units will be undertaken.*

B. Strategic Management of Human Capital

The human capital for which the Department has responsibility includes approximately 70,000 full- or part-time employees who work in approximately 2,400 locations, performing a wide variety of functions. In examining how to better manage its human capital, the Department has identified near-term initiatives where past experience has demonstrated that immediate opportunities for improvement exist, as well as longer-term initiatives that will yield benefits over a longer time horizon.

We will significantly restructure our personnel, information technology, and acquisition management activities to provide better human capital management, improve our ability to deliver E-Government services, and increase our capability to procure goods and services more effectively and efficiently.

Human Resources Operations:

The Department's human resources function was significantly downsized in the 1990s. The downsizing occurred without the accompanying automation and restructuring that has marked successful downsizing efforts in other organizations. Today the Department has 118 human resources offices, operated with approximately 40% fewer staff, continuing to perform most human resources functions in a bureau-based, decentralized manner. These multiple operating locations incur high overhead costs that decrease the efficiency of our human resources program, make it difficult to maintain infrequently used skills, and impede our ability to fill human resource vacancies that will be created by impending retirements.

- C *We propose to restructure our human resource office operations on a Department-wide basis. All backroom operations that carry out human resource administrative processes and do not require "face-to-face" dealing with managers and employees will be considered for restructuring. These reforms will enhance service to managers and employees, improve management advisory support, and improve the efficiency of our operations.*

Information Technology (IT) Support:

Information technology services at the Department are bureau-centric and decentralized at the regional and field levels. We have numerous applications, non-standardized information systems, and multiple networks throughout the Department. Approximately \$600 million is budgeted for IT-related activities in FY 2002. We employ approximately 2,250 professionals in IT-related fields, with 70% of our employees located at 28 sites in the Western and Southwestern States.

- *The Department proposes to look at restructuring the following IT functions: Data Centers, Help Desks, Desktop Support, Application Development and Maintenance, and Voice & Data Networks. Based on the initial feasibility analysis, we estimate the consolidation of select IT functions at the Department will result in significant cost savings and improved IT service delivery. The restructuring will also help improve a number of challenges in IT, including security risks in the Department's financial data, instances of conflicting data, duplication of applications, and redundant technology.*

Acquisition Management (Contracting):

The Department currently has a highly decentralized acquisition management program, with more than 60 major procurement offices and 800 smaller offices with limited procurement authority across the country.

- *We propose restructuring contracting functions to establish Department-wide Centers for Contracting Excellence to lower costs, provide better business value, and centralize transactions with the greatest volume and dollar value. These reforms will result in significant savings, a higher Department-wide procurement employee to procurement dollar spent ratio, and greater market leverage through consolidated requisitioning and procurement of products and services.*

These actions and others described in this plan identify approaches that will help deal with the skill imbalances, projected attrition (including retirements), recruitment, and retention issues identified in our previous workforce analysis.

C. Improved Financial Performance

The Department recognizes the need for accurate and timely financial information to ensure the best performance and highest measure of accountability. For the past 4 years, the Department has received an unqualified “clean” opinion on its consolidated financial statements. However, this result has been achieved with labor-intensive efforts to reconcile information on various systems necessary to support financial statement information and to overcome significant system control and security deficiencies. The lack of integrated systems and reliance on outdated technology not only threatens our ability to provide core financial information, it also handicaps any attempt to provide useful, timely, and accurate financial information to program managers.

- *The Department will replace critical financial management systems with an integrated financial system that will provide more accurate and more timely information, enhance the integrity of data through improved integration and control, expand E-Government capabilities, improve security in financial systems, and reduce system risks associated with the use of outdated technology.*
- *The Department accepts activity based costing (ABC) as the best method to provide managers with the information to monitor and evaluate program performance and effectively allocate resources. ABC provides the basis for integrating budget and performance, and for holding managers accountable for results. The Bureau of Land Management has taken the lead in implementing this approach and now has detailed and extremely useful information on all its operations across the Nation. This is a powerful tool that will be implemented in all of the Department’s bureaus.*
- *The Department will continue to actively monitor its payments and maintain adequate financial controls. This will ensure that erroneous payments made to external parties will continue to be kept below 0.05% of the dollars awarded. We will also increase the number of pre-audit and post-audit programs to better monitor our non-financial assistance payments.*

D. Expanded Electronic Government

Information technology is the enabler allowing us to provide better, more comprehensive information and services electronically. The Department is taking action to enhance our E-Government services and become a “digital Department.” We are pursuing E-Government improvements along three dimensions: (1) use of E-Government to enhance our internal operational efficiency; (2) use of E-Government to improve all transactions with citizens and other users; and (3) use of E-Government to transform our relationship with the public, providing information and services uniquely available at the Department.

- *The Department is creating a senior-level E-Government (E-Gov) Team to develop a new strategic plan for E-Government and take responsibility for the accomplishment of all goals in the plan.*
- *The Department will continue to develop and improve transformational, cross-agency web portals providing one-stop services to the public and citizen-centered information, including Recreation.Gov, Volunteer.Gov, and Permits.Gov.*
- *The Department is contributing significantly to the Administration's "Quicksilver" E-Government Task Force. Several initiatives under consideration by the task force would result in our assumption of major responsibilities. We will continue to identify new opportunities to improve our services in the four service areas identified by the task force: Government to Citizen, Government to Business, Government to Government, and Internal Efficiency and Effectiveness.*
- *We are taking steps to streamline and simplify the grants administration process for five major Interior grants programs. Streamlining processes will include notification of award opportunities, reducing application burdens, and providing electronic options to prospective grants recipients. Emphasis will be given to using established systems (e.g., Federal Commons), rather than building unique applications.*

E. Budget and Performance Integration

The Department recognizes the need to define and report more effectively on the results we achieve. To accomplish this, the Department is improving its overall approach to performance management.

- *The Department will revise its current strategic plan, creating a single plan that presents Departmental missions and functions in a more unified, integrated manner. The Department continues to move forward to link performance goals to program activities in our budget requests.*
- *As discussed previously under Improved Financial Performance, the Department is adopting activity based costing (ABC) to provide managers with a tool to monitor and evaluate program performance and more effectively allocate resources. This type of management information is extraordinarily valuable for integrating budget and performance, and for providing management with information needed for measuring results.*

II. ENHANCING MANAGEMENT EXCELLENCE AT INTERIOR

“My vision for this great Department is to see it continually improve its delivery of services to the American people...We have only begun to tap our full potential in our race towards excellence.”

Secretary Gale Norton

The Secretary has set in motion several reforms that will help to ensure integrated planning, leadership, and assessment of the Department’s programs.

Effective Leadership and Management Oversight

The Secretary has established a Management Excellence Council, chaired by the Secretary and includes the Deputy Secretary, Assistant Secretaries, and bureau heads. The Council will provide leadership, direction, and accountability to implement the Administration’s goals and provide overall direction and oversight of the Department’s management reform activities. To support the Management Excellence Council, a set of senior-level teams has been established that are linked to the five government-wide initiatives. These cross-Departmental teams, chaired by the Assistant Secretary for Policy, Management and Budget, her Deputies, or the Chief Information Officer, will ensure all Departmental management reform efforts are collaborative and coordinated. In addition, the Department has reallocated an existing SES position to create a new Deputy Assistant Secretary for Performance and Management to provide leadership and a focal point for the Department’s performance and management reform activities. Creation of this position demonstrates the high level of importance the Department places on management reform. The graphic on the following page illustrates the Department’s new management oversight structure.

Charting a New Direction through a “Single-DOI” Strategic Plan

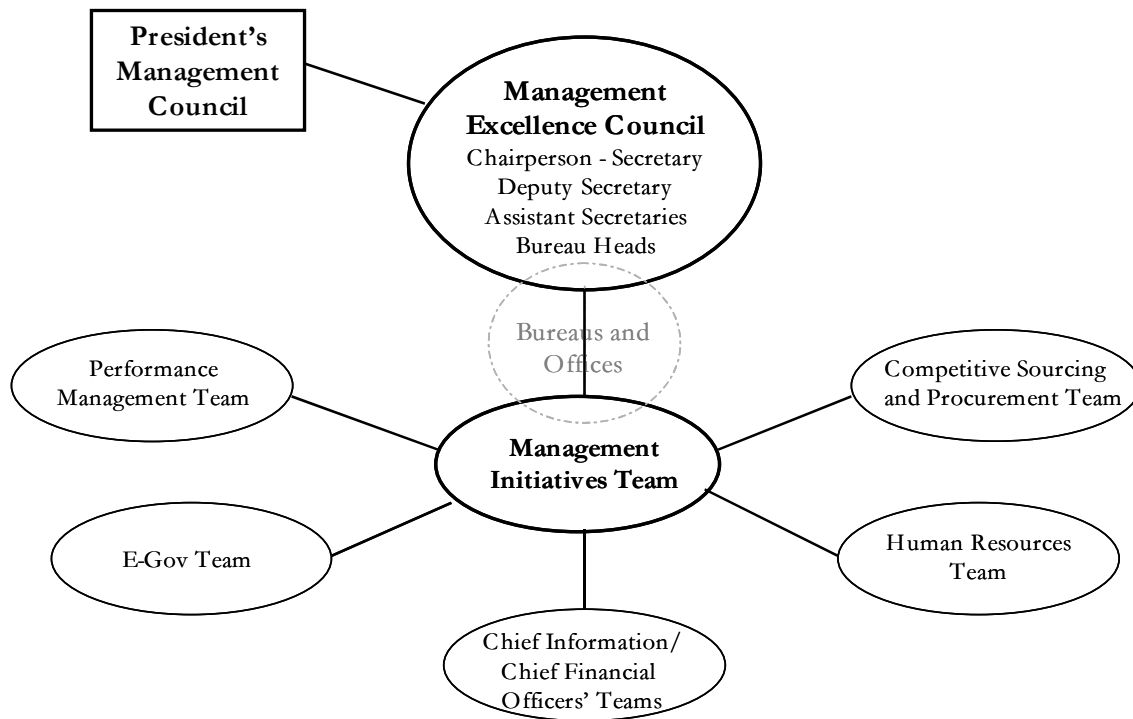
The Department will develop an integrated Department-wide strategic plan by early 2002, replacing the current suite of nine bureau plans and a Departmental overview. The unified approach will allow the Department to set consistent, multi-agency performance goals and

- Set an agenda for the Department that reflects the Administration’s and the Secretary’s priorities;
- Communicate, collaborate, and coordinate with key stakeholders and constituents on future directions for the Department;
- Make the Department more “results-oriented” and accountable to citizens; and
- Provide the means to hold organizations and managers accountable for results.

Organizing for Management Excellence at the Department of the Interior

Initiatives the Management Excellence Council will pursue include the President's five management goals to accomplish the Department's goal to Manage for Excellence and Accountability:

1. Integrating budget and performance
2. Managing human capital
3. Utilizing competitive sourcing
4. Improving financial accountability
5. Expanding electronic government



Evaluating Program Effectiveness

As a companion effort to our strategic planning process, the Department will review its core missions to determine how essential functions can be improved and non-essential functions can be eliminated, devolved, or transferred. This review will be a key component in developing a comprehensive approach to maximizing performance and use of available resources. The mission reviews of every bureau and program will address specific questions, including:

Is this something we should be doing?

- What are our significant functional processes and services?
- What is the statutory basis for the mission, program, or function?
- Is the activity mandatory or discretionary?
- Is the activity inherently governmental and Federal?
- Are we expending existing resources in a way that enhances services and provides best value to the Nation?
- Does the program or activity help the Department meet one of its programmatic missions, while achieving excellence and accountability?
- How do the functions relate to Administration objectives?
- How should non-core functions be relinquished?

If so, how should we do it?

- **Communication** - Are we communicating, collaborating, and cooperating with key customers—both public and private—to ensure desired outcomes?
- **Cooperation** - Does the program or activity expand opportunities for partnerships—both public and private—in ways that leverage Departmental resources toward efficient solutions?
- **Consultation** - How are consultation and stakeholder interests factored into mission goals?
- **Accountability** - Are we monitoring and evaluating effectiveness, defined as outcomes achieved per resources expended? Are we carefully accounting for costs by activity and outcome?
- **Change** - Does the program or activity help foster technological, management, or structural innovations that increase our effectiveness?

Assuring Continued Organizational Effectiveness

The Department has developed a Baldrige-based organization assessment tool called Interior's Performance Challenge (IPC). The IPC is a standardized instrument for evaluating organizational effectiveness and providing meaningful, actionable feedback for management improvements, while imposing a minimum time burden on the participating organization. The instrument is extremely flexible and can be tailored to individual organizational needs. Because it is standardized, it allows the organization to make comparisons with other Departmental organizations, as well as with other public and private sector organizations. The IPC has been successfully piloted in several Departmental offices and will be deployed more widely across the Department in 2002.

Resolving Conflicts as they Emerge

The Department is taking steps to ensure effective coordination of its Alternative Dispute Resolution (ADR) policy and programs, and to shift the focus to early cooperative efforts and collaborative action in all areas of the Department's work. Coordinating ADR programs centrally at the Department level will reduce administrative redundancy, maximize the use of existing resources, provide quality assurance,

establish consistent standards across the Department, and improve customer service for all employees within the Department and with external stakeholders throughout the country.

III. MANAGEMENT REFORM ACTION PLAN

“We have a mission that is unrivaled in its scope and a workforce that is unmatched in its dedication. Our task is to ensure that we build on our past success and become the full embodiment of what we can become.”

Secretary Gale Norton

The following chapters detail the Department’s specific plans for restructuring. There is a separate chapter for each of the President’s five management reform initiatives, with each chapter focusing first on plans and activities at the Department-wide level and then at the Bureau level. There is a separate chapter that addresses other activities that will result in improved service and program delivery to the citizens of America.

Funding Interior’s Management Reforms

The long-term benefits of these consolidation efforts will include significant cost savings. The magnitude of these savings will depend on implementation decisions that we make over the next 12 months. However, we are sufficiently confident that initial savings can be realized as early as 2003 that we have not included in this budget increased funding for the transaction costs of consolidation. We intend to cover these costs, as well as costs for an improved financial system to support activity-based costing and a human resources system to support improved human capital management, from savings.

A. Competitive Sourcing

The Department's competitive sourcing program focuses on performance and implementation of the best, most cost-effective methods to provide quality products and services to our customers, whether that is with our own employees or with contractors. In doing so, we must examine and use all of the tools available to make our limited dollars go further to provide quality services that provide value to our customers. One such tool is to assess how our services can be improved by self-examination in a competitive situation.

I. Department-wide Activities and Plans

a. Background

The Federal Activities Inventory Reform (FAIR) Act directs agencies to (a) develop annual inventories of their commercial activities, and (b) conduct reviews to determine whether commercial activities performed by Government employees should be performed by private sector sources. The Office of Management and Budget A-76 cost comparison process is one of the tools available for the competitive sourcing process.

For FY 2002, the Administration has established a goal related to expanding A-76 competitions and preparing more accurate FAIR Act inventories. It requires agencies to complete public-private or direct conversion competitions on not less than 5% of the FTE listed on their FAIR Act (commercial) inventories.

For FY 2003, the goal for competitive sourcing requires agencies to complete public-private or direct conversion competitions involving an additional 10% of the FTE listed on their FAIR Act inventories above that competed to meet the FY 2002 competitive sourcing goal. By the end of FY 2003, agencies must have completed actions on at least 15% of the FTE listed on their annual FAIR Act inventories.

b. Interior's 2002 Competitive Sourcing Goals

Serving as the baseline for achieving the FY 2002 competitive sourcing goal, the Department's 2000 FAIR Act inventory identified 20,272 total commercial FTE (see Table 1). In order to meet the FY 2002 goal of 5%, the Department will compete or directly convert not less than 1,015 FTE.

Table 1: Interior 2000 FAIR Act Inventory Summary and Goals Data

Interior Bureau/Office	Total Commercial FTE	FY 2002 FTE Competitive Sourcing Target Based on 5% Goal
Departmental Offices		
National Business Center	425	21
Office of Aircraft Services	37	2
Other Departmental Offices	295	14
Bureau of Indian Affairs	913	46
Bureau of Land Management	2,118	106
Bureau of Reclamation	2,998	150
U.S. Fish and Wildlife Service	496	25
Minerals Management Service	534	27
National Park Service	9,787	490
Office of Surface Mining	49	3
U.S. Geological Survey	2,620	131
Total	20,272	1,015

c. Interior's 2003 Competitive Sourcing Goals

Serving as the baseline for the FY 2003 competitive sourcing goal, the Department's 2001 FAIR Act inventory identified 23,186 total commercial FTE (see Table 2). Of that number, 18,142 FTE (78% of the total commercial FTE amount) were identified as having competitive sourcing potential. In order to meet the FY 2003 goal of 10%, the Department will compete or directly convert not less than 2,320 FTE. (In order to meet the combined FY 2002 and FY 2003 government reform goals, by September 30, 2003, the Department is required to competitively source not less than 3,335 FTE.)

Table 2: Interior 2001 FAIR Act Inventory Summary and Goals Data

Interior Bureau/Office	Total Commercial FTE	FY 2003 FTE Competitive Sourcing Target Based on 10% Goal
Departmental Offices		
National Business Center	438	44
Office of Aircraft Services	26	3
Other Departmental Offices	81	8
Bureau of Indian Affairs	2,331	233
Bureau of Land Management	2,331	233
Bureau of Reclamation	2,654	265
U.S. Fish and Wildlife Service	496	50
Minerals Management Service	540	54
National Park Service	11,807	1,181
Office of Surface Mining	55	6
U.S. Geological Survey	2,428	243
Total	23,186	2,320

d. Interior's Strategies for Meeting FY 2002 and FY 2003 Competitive Sourcing Goals and Improving the Quality of FAIR Act Inventories

The Department is committed to meeting the competitive sourcing goals established for FY 2002 and FY 2003. Its strategies for doing so include:

- In response to the need for a centralized or corporate approach to competitive sourcing, the Department proposes to establish a "one-stop" competitive sourcing function similar to Department of Defense Commercial Activities Directorates. The organization will be staffed with representatives from a variety of disciplines; e.g., human resources, budget, acquisition management, program management, who, on a fee-for-service basis, would assist the Department's bureaus and offices either directly, or through contract support in:
 - Providing Competitive Outsourcing Training
 - Developing Competitive Plans
 - Commercial Activity Inventory and Activity Selection
 - Developing the Most Efficient Organization
 - Providing Cost Analysis and Comparison
 - Development of Performance Based Work Statements
 - Competitive Contracting
 - Independent Review
- Bureau and office management have been directed to identify at least 5% of their respective 2000 FAIR Act inventories for competition in FY 2002 and 10% of their respective FAIR Act inventories for competition in FY 2003, taking into account workforce restructuring plans, skills shortages, and anticipated retirements. (In order to ensure a consistent approach to organizational analysis, performance enhancement, and identification of competitive opportunities, *all* Departmental bureaus and offices are required to adhere to the 5 and 10% goals.) Some bureaus and offices; e.g., National Park Service, U.S. Fish and Wildlife Service, and Office of Acquisition and Property Management, have or are in the process of obtaining contractor support to assist in organizational reviews, reviews of FAIR Act and Inherently Governmental inventories, and recommendation of competitive sourcing strategies. A number of other bureaus and offices are performing in-house workforce and organizational analyses to identify the best opportunities for applying the competitive sourcing goals within their organizations.
- Due to the length of time needed to complete a formal A-76 Cost Comparison, bureaus and offices will focus on initiating and completing competitive studies of identified functions with 10 or fewer FTE in FY 2002. In addition, competitive sourcing consideration will be given, and cost studies initiated for functions over 10 FTE performed by Federal employees that may be subject to cost comparisons or direct conversion requirements of OMB Circular A-76 and its Supplemental Handbook.
- In FY 2003, additional competitive studies of functions with 10 or fewer FTE will be initiated and completed. A-76 and Streamlined A-76 (65 or fewer FTE) cost studies initiated in FY 2002 will be completed for the functions over 10 FTEs, and additional cost studies for the larger business units undertaken.
- Meetings have taken place and are being scheduled between Departmental and bureau/office management to discuss FAIR Act inventory submissions, areas for improvement, organizational review and competitive sourcing opportunities, and to ensure a consistent understanding of competitive sourcing as a performance management and strategic planning tool.
- The Department is adapting the Department of the Navy Strategic Sourcing Support Office's June 2000 *Direct Conversion Guide: Studies of 10 or Fewer Civilian Positions for Possible Conversion to Contract* for internal use, and plans to issue the revised guide for immediate use in September 2001. The guide outlines a streamlined process for comparing commercial and in-house costs to determine whether a function should stay in-house or be outsourced.

The "one-stop" competitive sourcing organization would also be responsible for tracking and reporting

agency-wide competitive sourcing activity related to government reform goals/targets. As a centralized agency-wide point for competitive sourcing, budget submission data required by OMB could be tracked and reported with greater accuracy.

The proposed Center for Competitive Sourcing Contracting Excellence would be launched by February 2002. This would be the first of a series of planned centers for the centralized acquisition and delivery of products/services to include information technology supplies, construction, and land acquisition services.

- The Department has recruited and is in the process of hiring a senior level Program Analyst to serve as the Department-wide Competitive Sourcing Coordinator.
- To support greater FAIR Act inventory quality, effective in FY 2002, FAIR Act inventory data gathering by bureaus will begin in October and will be based on personnel data as of September 30th of the preceding fiscal year. Inventories will be submitted to the Office of the Secretary in January, allowing for comprehensive inventory review, analysis, and, as appropriate, revision prior to agency-wide inventory submission to the OMB by the June 30 statutory deadline.
- A Department-wide FAIR Act inventory "Stand Down" Day will be held in October 2001 and 2002; i.e., the beginning of each inventorying cycle, to review the previous year's inventory, identify areas in bureau/office inventorying practices requiring improvement, review and discuss Function Codes and their proper application, and cover new Department-wide inventory collection and reporting processes. Periodic Department-wide FAIR Act inventory and competitive sourcing meetings will be scheduled throughout the fiscal year.
- The Department has and will continue to provide suggestions for improving the FAIR Act inventory and A-76 processes through the Procurement Executive Council's A-76 Subcommittee.
- Studies will be performed on the possible privatization of Department-wide housing and fleet management.

Individual Departmental bureau and office funding estimates for contractor support and training services for FY 2003 are included in the Appendix.

II. Bureau Activities and Plans

Each Departmental bureau and office is in the process of applying the competitive sourcing goals to their workforce plans. The Bureau of Reclamation and National Park Service formed bureau-wide committees to create and maintain consistent inventories and select activities for competitive review. Both the National Park Service and Fish and Wildlife Service have engaged independent contractors to review their commercial and inherently governmental inventories and provide recommendations. The NPS began its bureau-wide efforts to map job codes to FAIR Act activity codes in March 2000, and has maintained its inventory from the payroll system. The USGS is automating the FAIR Act inventory as a web-enabled database application that will enable continuous updating. The Bureau of Land Management has produced a crosswalk between the payroll system and the FAIR Act function codes, and will review that with line managers in the field to ensure that information is consistently interpreted and understood. Specific bureau competitive plans available to date are included in the Appendix.

B. Strategic Management of Human Capital

Like many other Federal agencies, the Department has an aging workforce, a large proportion of which will be eligible, and expected, to retire by 2010. Our human resource strategies are directed towards one outcome — align the management of our human capital with the Department’s mission and strategic goals.

In 1998, the Department published its first Department-wide strategic plan for human resources management entitled, “*Success Through Human Resources: From Strategy to Action.*” In that plan, the Department outlined the vision, goals, and strategic actions necessary to confront the human capital issues recently raised in The President’s Management Agenda, and highlighted by the General Accounting Office (GAO) and Inspector General. In addition, the Department Workforce Analysis Report in June 2001 identified additional areas for reform. The following initiatives highlight our commitment to strategic management of our human capital and detail the actions we are taking, to ensure that we have the talented workforce we need to accomplish our important missions.

Restructuring - Administrative Functions

The Department proposes to restructure key support services as a means to achieve efficiency and improve service. Most of the Department’s administrative services are currently provided on a decentralized basis, with each of the Department’s eight bureaus having its own stand-alone operations. Many small offices are located in the same geographic locations (often in the same buildings) providing duplicate services. Three key areas present immediate opportunities for restructuring:

- Human Resources Operations
- Information Technology Support
- Acquisition Management (contracting)

Approximately 4,600 employees are engaged in these activities Department-wide. Restructuring these functions will reduce administrative costs, take advantage of economies of scale, provide more effective programmatic results, and provide opportunities for competitive sourcing. Other administrative and support functions will be reviewed over the next year to determine if restructuring can improve their effectiveness and efficiency.

a. Human Resources Operations Restructuring

During the early and mid 1990’s, the Department’s human resources community was significantly downsized. The downsizing occurred without the accompanying automation and restructuring that marked downsizing efforts in other agencies and the private sector. This resulted in human resources offices (118), with approximately 40% fewer staff, continuing to perform most human resources functions in a bureau-centric, decentralized manner. These multiple operating locations incur high overhead costs that decrease the efficiency of the human resources program, make it difficult to maintain infrequently used skills, and impede our ability to fill human resource vacancies that will be created by impending retirements. It has also resulted in inadequate human resource office staffs to effectively provide management advisory services, as well as perform traditional administration processes. Restructuring human resources operations is necessary if we are to meet the two strategic outcomes from our HR Strategic Plan to deliver the best human resources services for Departmental employees and manage the Department’s human resources, as expected by the American people,

An approach for overcoming the Department’s human resources challenges and improving the efficiency and effectiveness of human resources management is to restructure human resources “backroom” operations. Backroom operations include human resources administration processes that do not require face-to-face dealing with managers and employees. Restructuring may include regionalization of some backroom functions, sharing of services between bureaus, establishment of “Centers of Excellence,”

integration of program activity, and consolidation and/or outsourcing some backroom functions.

A contractor has been engaged to provide “best practice” strategic alternatives for improving human resource operations. Based upon these alternatives the Department will engage in the following three-phase effort:

Short-Term Actions	Completion Date
Phase I: Commitment and Identification of Benefits of Restructuring. Obtain independent contract support to identify “Best Practice Strategic Alternatives to Improving Human Resource Operations at DOI.”	Completed
Phase II. Investigate most appropriate “Best Practices,” select model for restructuring, and plan for transition. With contractor support, visit organizations employing best practices, select best practices that meet DOI needs, develop a model and make specific plans to transition to the restructured configuration. The specifications will include appropriate site selection(s) and preparation for transition.	September 30, 2002
Long-Term Actions	
Phase III: Phase-in transition to new model for Human Resources Operations (HRO). In conjunction with implementation of new Human Resources Data System (FHRIS), phase-in the new HRO model, bureau by bureau, starting in the first quarter of FY 2003.	September 30, 2005

b. Acquisition Management (Contracting)

Contracting within the Department is very decentralized, with more than 60 major procurement offices and 800 smaller procurement offices around the country. The current structure is based on providing support to individual bureau and program needs, rather than considering the economies of scale that could result from combining similar needs into single, Department-wide procurements or developing a Departmental sourcing strategy. Building on past successes in aircraft services, enterprise licensing, and the Integrated Charge Card Program, the Department can very likely realize greater savings and efficiency through further restructuring and consolidation of its contracting services.

Contracting authority is delegated through warrants to approximately 1,870 Departmental employees nationwide. An estimated 60% of all Departmental warrants are held by individuals in series other than the GS-1102 Contract Specialist, the GS-1105 Purchasing Agent, or the GS-1106 Procurement Technician series. The majority of warrants are held by employees in the field, for whom purchasing is a collateral duty, to meet relatively low-dollar, day-to-day maintenance and administrative requirements at the duty station. Each bureau has multiple contracting/procurement offices that are decentralized and dispersed across the country. The Department’s acquisition offices collectively process an annual volume of almost 86,000 procurement transactions totaling about \$1.6 billion, and a substantial portion of thousands of financial assistance actions within 78 different programs totaling about \$2.1 billion.

This decentralization provides a great deal of local control, but comes at a high cost. There are approximately 600 procurement professionals spending approximately \$1.6 billion annually. This does not include over 400 FTEs engaged in support positions or those involved part time in buying under simplified acquisition threshold (SAT) rules, including processing delivery orders from GSA Schedules. While these individuals are not in the contracting occupational series, they are, nonetheless, spending time on

procurement. These buys typically do not exceed 10% of total procurement spending, or about \$160 million.

The Center for Advanced Purchasing Study (CAPS) maintains benchmarks for measuring procurement effectiveness across some 30 industries. With Secretary Norton's focus on identifying opportunities for restructuring contracting processes, the CAPS "purchasing dollars per purchasing employee" is an appropriate benchmark to consider. Exact comparisons are very difficult because many Departmental procurement offices also award and administer assistance (grants and cooperative agreements) transactions using the same personnel who award and administer contracts, but it is instructive to note that other decentralized agencies (Department of Veterans Affairs and USDA) have purchasing dollars per purchasing employee that substantially exceed the Department's ratio.

Clearly, the foregoing illustrates that there is a high price associated with the current system at the Department. This same conclusion was reached in a benchmarking study conducted earlier this year by AnswerThink-Hackett. The study concluded that the focus of Departmental procurement staff is on supplier selection, processing purchase orders, and resolving problems. The study also found that many transactional activities are performed at multiple locations, resulting in higher costs and staffing levels. In summary, the Hackett report said, "This [current organization] is causing the cost to perform these operational/routine activities to be much higher than industry."

Feasibility of Establishing "Centers of Excellence in Contracting"

The Department engaged Acquisition Solutions, Incorporated (ASI) in August 2001 to evaluate the existing acquisition environment within the Department and to recommend whether or not Centers of Excellence in contracting are feasible. ASI's report indicates that DOI can consider a number of strategies with regard to establishing a Center or Centers of Excellence. These include the following:

- **Volume of Activity.** In order to be proficient, an organization must have a certain volume of work to maintain its capability. The volume of work should be considered *in toto* and also with respect to types of procurement. For example, a full service contracting organization with relatively low volume must be considered for consolidation simply because it is difficult to maintain the expertise required without enough volume to support its staff and overhead. Even an organization with significant volume must be considered for some sort of consolidation if it has requirements, such as construction or R&D, which are accomplished on an intermittent basis.
- **Specialized Knowledge.** It is a simple rule: To be a good buyer requires knowledge of the marketplace and of the buying process. There is a corollary: To be a good buyer, one must specialize, because no one person can know all markets and be expert in all processes. Centers of Excellence can be organized around the marketplace (specific commodities or services) or the buying process (A-76 or performance-based), or both.
- **Geographical Considerations.** Close proximity to customers has long been a guiding principle for contracting personnel. However, the need for proximity to suppliers has been dramatically lessened by the Internet and E-Government approaches. Proximity now has two faces: Either geographical proximity or operational proximity through the use of technology (Internet, e-mail, etc.) should be maintained.

The ASI report further states that the opportunities for contracting reform within the Department are substantial and the potential benefits are significant. At the same time, the challenges are daunting. In addition to the issues described above, the following challenges must also be addressed:

- Communicating the Secretary's vision of and commitment to management excellence,
- Establishing and communicating new Departmental business practices,
- Establishing a structure to effectively lead and implement change in business practices,
- Realigning and/or building necessary infrastructure to support change,
- Drafting and approving an action plan for FY 2002,
- Providing the resources necessary to implement change,
- Obtaining stakeholder buy-in for the concept of change and the action plan,
- Reconciling Department and bureau policies and procedures, and
- Ensuring that an IT infrastructure exists and adequately supports the planned actions

Restructuring the Acquisition Function

The ASI report confirms that Centers of Excellence would be a productive approach to restructuring the Departmental acquisition environment and suggested several alternatives to consider in establishing the Centers. Because we lack current expertise in competitive sourcing, the Department proposes the establishment of a Center for Competitive Sourcing Excellence. The Department may followup this action with the establishment of additional Centers of Excellence in acquisition.

Center for Competitive Sourcing Excellence. This center would handle all competitive sourcing support contracts (including A-76 cost comparisons) for the Department. ASI's report states that this option centralizes one of the "masters level" acquisition requirements. The current system does not have the capacity to handle these requirements. The following table provides a time-line for the initial effort:

Milestones and Budget

Proposed Action Steps	Target Dates
Phase I: Commitment & Identification of Potential Benefits of Centralization. Obtain independent advisory and analysis support in assessing viability of centralizing Interior contracting processes. Provide study findings to OMB as part of Interior's FY 2003 budget submission.	September 10, 2001
Phase II: Proceed with In-Depth Study of Interior's Acquisition Organization, Open Competitive Sourcing Center, and Identification of Further Restructuring Opportunities and Plans. A. Obtain independent contractor support in: (1) developing a Department-wide transition plan for a Centers of Contracting Excellence acquisition organization; (2) identifying where additional consolidation and specialization by product/service category will allow Interior to realize greater savings and efficiency in the delivery of contracting services; and (3) developing performance benchmarks for the contracting centers. B. Recruit and hire staff and open Competitive Sourcing Center. C. PAM to develop phased-in transition plan based on study.	October 2001 - April 2002 February 2002 May 2002- June 2002
Phase III: Proceed with Phased-in Transition to Centers of Contracting Excellence. A. Plan and initiate actions to acquire real property, equipment and telecommunications (IT and other), and to recruit and hire staff for the Information Technology Products Center of Contracting Excellence B. Launch Information Technology Products Center of Contracting Excellence. Initiate contracting service to Departmental bureaus/offices. C. Continue with next steps for Centers as outlined in transition plan.	July 2002-October 2002 November 2002 & beyond

c. Information Technology (IT) Support

Information technology services at the Department are currently bureau-centric and decentralized at the regional and field levels. There are numerous applications, non-standardized information systems, and multiple networks throughout the Department. There is also an increase in the proliferation of web servers throughout the Department. In FY 2002, about \$600 million will be provided for IT-related activities. There are about 2,250 professionals in IT-related fields, with 70% located at 28 sites in the Western and Southwestern States. Seventeen percent of the Department's IT professionals are located in Reston, Virginia, and Washington, DC, and 19% are located in Lakewood, Colorado.

The current IT environment poses a number of challenges for the Department: (1) weak controls in the Department's financial data result in security risks; (2) the Department is not in full compliance with Federal security standards for IT; (3) numerous instances of conflicting data, duplicate applications, and redundant technology; (4) non-standardized information systems and multiple networks throughout the Department; (5) non-standard e-mail applications; and (6) an increasing proliferation of web sites. In addition, the bureau-centric IT environment makes it difficult for the Department to realize the potential cost-savings achieved from restructuring select IT functions.

Restructuring select IT functions at the Department could address many of these management challenges. Having fewer points of IT service delivery would help the Department to implement a comprehensive agency-wide program that meets all the statutory and practical requirements for IT security. In addition, compliance with the Interior Information Architecture would be more consistent and timely, resulting in fewer instances of conflicting data, duplicate applications, and redundant technology. Restructuring would also support the Department's commitment to launching enterprise licenses. For example, the Department recently acquired a single enterprise licensing agreement with Oracle, making it possible for the Department to obtain additional discounts for Oracle applications. Additional enterprise licensing agreements would enable the Department to better leverage IT resources by obtaining additional discounts. Other potential benefits of restructuring include a more efficient deployment of software and other applications to bureau regions and field offices, better management and deployment of network resources, and better management of the content that is sent over the network to Interior and non-Interior clients.

The Department's past experience with centralizing select IT services has been positive. The Department's efforts to centrally manage payroll, financial, and procurement data housed in the Departmental Administrative Systems (DAS) have been effective. In addition, the Virtual Exchange Point for data communications in Denver provides the Department's bureaus with a single point of entry to DAS, eliminating the need to establish additional networks. There may be additional opportunities to realize cost savings and management efficiencies through consolidation.

BLM has also experienced success with centralizing selected IT services. BLM recently completed the deployment of their Tivoli enterprise system management software that will enable the bureau to centrally perform: (1) automated hardware and software inventories; (2) unattended national software deployments; and (3) remote user support. BLM also centralized its network firewall operations in Denver and Portland. BLM recently leveraged its bureau-wide purchasing power by awarding a 3-year enterprise licensing agreement to Microsoft for office automation and operating system software. In August 2001, BLM had an opening ceremony for its National Computer Operations Center (NCOC) located at the Denver Federal Center in Lakewood, Colorado. BLM envisions using NCOC to expand those IT services that can be efficiently, effectively, and responsively centralized. All of these efforts are aligned in the BLM's Bureau Enterprise Architecture strategies.

Infrastructure Restructuring Feasibility Study

In August 2001, the Department contracted with Meta Consulting Group to evaluate the feasibility of restructuring the Department's IT infrastructure, and to determine the potential cost savings that could result from this effort. Meta consultants have extensive experience with IT restructuring analysis and implementation, performing similar studies for large companies and Federal Government agencies.

According to Meta, infrastructure consolidation has become a common and proven strategy used by world-class IT organizations to decrease cost, gain technical advantage, and improve competitiveness in today's global economy. Because this type of consolidation has been successfully completed by many companies worldwide, the risks, rewards, and success factors are well understood.

Meta identified two reasons for restructuring: (1) economics, and (2) better performance. In relation to economics, Meta indicated many IT functions are subject to economies of scale - the larger the function, the lower the cost per unit. These savings can be achieved in labor, hardware, software, and outsourcing costs. Overall, consolidating IT infrastructure increases the volume of work performed in a given location, thereby reducing the cost per unit of work produced. In relation to performance, Meta indicated service levels can often be improved by consolidating key functions within IT: (1) data center; (2) help desk; (3) desktop support; (4) application development and maintenance; and (5) voice and data networks.

The following table captures Meta's analysis of the potential benefits and cost-savings achieved from consolidating select IT functions industry-wide. The table qualifies the benefits of consolidation for each of the five IT functions, and quantifies the estimated scale effect, or the percentage of savings realized when the volume of work doubles. The analysis assumes that consolidated functions operate on a more efficient cost curve than those distributed across multiple locations. Overall, the findings show the estimated scale effect is the greatest when data center, help desk, and network functions are consolidated.

**Potential Benefits and Cost Savings Derived from
Restructuring Select IT Functions**

IT Functional Area	Benefits of Restructuring		Estimated Scale Effect (Percentage of savings realized when the volume of work doubles)
	Cost Reduction	Performance Improvement	
Data Center	High	Moderate/High	20%
Help Desk	High	High	20%
Desktop Support	Low	Low	5% - 10%
Application Development & Maintenance	Low	Low	0% - 5%
Voice & Data Network	Moderate	Moderate	20% - 30%

Source: 2001 META Group Inc.

Meta developed a questionnaire to better understand the Department's current IT environment, including its spending levels, work volumes, location, organization, and performance levels. The questionnaire was sent to the bureaus and the Office of the Chief Information Officer (OCIO) staff for input and returned to Meta for analysis. The feedback from the questionnaire served as the basis for the Meta's

feasibility study findings and recommendations. Based on the data provided, Meta identified the potential benefits of restructuring each of the five IT functional areas at the Department:

- **Data Center.** Numerous data centers at the Department operating mainframe computers, UNIX servers, and Intel servers. Meta indicated that consolidating to a single data center location has the potential to reduce annual data center operating costs significantly. Meta indicated that consolidating to two data centers, with each location having the capacity to back-up the mission critical workload of the other, will also result in savings, estimating the operation of two data centers to be approximately 15% higher than the operation of a single data center.
- **Help Desk.** The Department has over 25 help desks serving over 65,000 employees in 2,400 locations. Based on industry averages for comparably sized help desks, Meta estimates that the Department is spending about \$30 per call, totaling about \$2.8 million per month, or \$34 million per year, on help desk support. According to Meta, this function lends itself well to consolidation. Meta estimates that 75% of all help desk calls can be handled remotely, with the remaining 25% handled by local resources. Under the scenario that there would be two help desk support hubs, Meta estimates that the Department would achieve significant savings by consolidating this function.
- **Desktop Support.** The Department has a geographic dispersion that seems to be about average in comparison with other studies, with 80% of the users being located at larger sites. Standardization of the computing environment can reduce the labor required to support the environment by 10% - 20% in the following areas of support: (1) Problem resolution; (2) Installation Moves Adds and Changes; (3) Maintenance; and (4) E-mail applications and servers; and (5) LAN/Server support. According to Meta, servers should be consolidated and centrally managed to the extent possible. Consolidation of the server environment and vendors providing the services may reduce the overall costs by 10% - 15% in procurement costs, server management, and vendor management. Insufficient information was provided to determine the overall scope of services being delivered. The feasibility study has pointed the way to several opportunities to achieve a more unified and simplified IT environment. Our immediate plan is to contract out for a more detailed study that will accurately describe expected cost-savings and benefits and provide decision makers with near- and long-term alternatives that move the Department from disconnected islands of IT automation toward a virtual continent of responsive IT products and enhanced service delivery to our customers.
- **Application Development & Maintenance (ADM).** Each bureau currently develops and maintains a unique application portfolio, operating independently. According to Meta, ADM consolidation within the current decentralized structure may not be feasible given that each bureau has a unique application portfolio. Meta also indicated that additional data is required to estimate the cost-savings that may be achieved from ADM consolidation at DOI. Meta did indicate, however, that savings in productivity may be realized by the individual bureaus. An example would include BLM consolidating field-level ADM functions at the State and/or the national level.

As we move from a bureau-centric approach to a more consolidated IT infrastructure, a key component of our strategy is to develop a consistent capability to manage enterprise information systems at the Department level. This would include administrative systems, spatial systems, web portals, and data management. Departmental leadership is also needed to identify efficiencies gained through common business, information, and technical needs. We have learned from analysis of failed projects that we need a consistent application of management methodologies. This includes having a cadre of qualified project managers and support staff to guide and oversee modifications to existing systems and the acquisition of new systems, as well as an IT integration contractor to ensure the development process meets the user requirements.

- **Voice & Data Networks.** The Department currently subscribes to many voice and data services obtained from a variety of different service providers. Significant changes in the telecommunications

landscape have rendered the pricing and terms of most voice and data contracts “out-of-market,” regardless of how competitive they initially seemed. On the average, mid-to-large sized organizations spend 20% to 40% more per year on voice/data services in comparison to recently negotiated contracts of similar size. According to Meta, additional savings of 20% to 30% can be realized after renegotiating service contracts. Meta also recommends that the Department develop a formal sourcing strategy for telecom areas to identify buying priority objectives.

The feasibility study has pointed the way to several opportunities to achieve a more unified and simplified IT environment. Our immediate plan is to contract out for a more detailed study that will accurately describe expected cost-savings and benefits and provide decision makers with near- and long-term alternatives that move the Department from disconnected islands of IT automation toward a virtual continent of responsive IT products and enhanced service delivery to our customers.

A key component of our strategy is to develop a consistent capability to manage and oversee the more complex information systems we expect to procure over the next several years. We have learned from analysis of failed projects that we will need both a cadre of qualified project managers and support staff to guide and oversee modifications to existing systems and the acquisition of new systems, as well as an IT integration contractor to ensure the development process meets the user requirements.

Milestones:

The feasibility study performed by Meta is the first step in determining the feasibility of restructuring select IT functions at the Department and in identifying the potential costs and benefits derived from restructuring. Additional in-depth analysis is needed to truly understand the complexity of the IT environment at the Department prior to proceeding with the consolidation effort. The table below reflects future action steps and completion dates.

Proposed Action Steps for IT Restructuring	Completion Date
Phase I: Commitment & Identification of Potential Benefits. Obtain independent contract support to determine the feasibility and the potential benefits of consolidating select IT functions at Interior.	September 2001
Phase II: In-depth Study of Interior’s IT Environment. Conduct an in-depth study of the Department IT environment to identify specific targets for restructuring select IT functions.	June 2002
Phase III: Phased-in Implementation. Develop a detailed plan and begin phased-in implementation of restructuring select IT functions.	October 2002

I. Department-wide Activities and Plans

Organizational Structures and Position Management

The Department has a large, geographically dispersed workforce located close to the citizens it serves. Three out of four Departmental employees interact directly with customers and citizens. While the Department is citizen-centered, there is always room to improve our organizational structures and improve the management of our workforce. The following actions will help us ensure that Department’s organizations are structured effectively and efficiently, reduce the distance between citizens and decision-makers by flattening the hierarchy, reduce the numbers of layers in the upper echelons, and redistribute higher-level positions to front-line, service-delivery positions.

Short-Term Actions	Completion Date
Review the coding of all organizations and structures in the Department's HR system to ensure accuracy of information. Code all organizations as belonging to: Headquarters, Field, Regional Office, Administrative Service Center. This will provide better information on the distance between citizens and decision makers and the layers of management, as well as provide a means to generating charts and other information for further analysis.	Completed
Develop organizational charts for all Departmental and bureau organizations showing the number and location of positions in the organization.	Completed
Form a workgroup by October 1, 2001, comprised of representatives from the Department and bureaus, to review organizational structures and make recommendations (by the target completion date) to the Secretary's Management Excellence Council on ways to improve organizational structures and meet the Administration's goals.	February 28, 2002
Long-Term Actions	Completion
A workgroup will, in conjunction with each year's performance plan submission, review organizational structures and make continuing recommendations on ways to improve. A detailed review will be conducted as part of the Department's Strategic Planning process every 3 years.	Ongoing

Workforce Planning

Workforce planning is an essential ingredient in the effective management of human capital. Workforce planning allows an organization to document the actions necessary to ensure the right people with the right competencies are in the right jobs at the right time. As a result of the Department's human resources management strategic plan, we have been developing and implementing a comprehensive workforce planning strategy. This includes issuing a Departmental model and guidance on workforce planning, and making workforce planning a specific goal in our performance plans.

To ensure the Department's missions and strategic goals are directly linked to human capital management, future human capital needs are fully documented, budget projections contain detailed human capital information, performance plans address human capital impacts, and action is taken to make certain the right people with the right skills are in the right positions at the right time, the Department will:

Short-Term Actions	Completion Date
Develop and issue a Departmental policy requiring comprehensive workforce plans in all bureaus. (Note: This action is a goal in our FY 2002 Annual Performance Plan).	September 30, 2001
Develop and issue a training manual on workforce planning for use by all bureaus.	September 30, 2001
Long-Term Actions	

Train all Departmental and bureau personnel engaged in workforce planning.	September 30, 2002
Complete comprehensive workforce plans in all bureaus for FY 2004-2008. (Note: This is a goal in our FY 2003 Annual Performance Plan.)	September 30, 2003

Automation, Enhanced Use of Technology in Human Capital Management, and Adaptation of Private Sector Best Business Practices

Although the Department has been successful over the years in consolidating critical payroll and financial systems, the current personnel system—the Federal Personnel Payroll System—is a “home grown” system that was designed over 10 years ago. It uses outdated technology and lacks the business process and management decision support functionality of commercial human resources systems currently on the market.

An assessment of our system by an independent third party indicated the Department should purchase a commercial-off-the-shelf (COTS) human resources system to augment the Department’s system and to take advantage of technological advances, functional improvements, and private sector best business practices. A modern system will also support new computer security requirements and E-Government initiatives, while ensuring privacy, data integrity, control, and reduced reliability risks. A new human resources information system is critical for the long-term management of the Department’s human capital, necessary to effectively and efficiently respond to the President’s five management initiatives, and vital to the restructuring of human resources operations.

In FY 2000, the Department initiated the Federal Human Resources Information System (FHRIS) Project to address these critical needs. FHRIS is based on a COTS software package, private sector best business practices, and has undergone prototype and demonstration project testing. FHRIS will result in an estimated tangible and cost avoidance return-on-investment (ROI) over 300%. The tremendous intangible benefits of the system will make the ROI even greater. The FHRIS implementation plan is as follows:

Short-Term Actions	Completion Date
Complete FHRIS demonstration project.	September 30, 2001
Develop final acquisition strategy and begin changing bureau human resources business practices.	September 30, 2002
Implement FHRIS in conjunction with human resources operations restructuring beginning in FY 2003.	September 30, 2006

Other Workforce Issues

During development of the Department’s Workforce Planning and Restructuring Report (Phase I: Workforce Analysis) we identified a number of specific workforce issues requiring attention. Those issues, and others identified by the OMB staff, will be addressed as follows:

- (a) *Correct skill imbalances created by past buy-outs, early retirements, and limited hiring, while addressing projected retirements and attrition.* Some bureaus have been more successful than others in dealing with skill imbalances created by past buy-outs and early retirement efforts that were offered across entire bureaus and were not targeted. Problem areas associated with projected retirements and attrition have been identified for all bureaus. To assist in this area, several Departmental Intern Programs have been started and a discussion of potential Department-wide

Recruitment Programs has been initiated. To further manage these issues we will:

- In concert with the Administration's civil service reforms, as part of the "Freedom to Manage" initiative, begin to use targeted buy-outs and early retirement in areas (and bureaus) where skill imbalances exist. (*Target Date: July 30, 2002*)
 - Investigate and implement additional intern programs, recruiting programs, utilize the new Federal Intern Program, and expand use of the Presidential Management Intern Program using staffing flexibilities that already exist. (*Target Dates: Investigation of potential programs will be completed by September 30, 2002; Development and implementation of the first new programs will be complete by September 30, 2003; Additional programs will be added on an on-going basis, thereafter.*) [Note: Restructuring human resources operations will help facilitate this initiative.]
- (b) *Enhance training to ensure managers, supervisors, and employees have the appropriate skills to succeed.* Projected changes to the future workforce will require us to develop training programs to enhance existing skills, provide new leadership skills, and develop new technical skills. Developmental activities must include training on everything from information and Internet technology to alternate dispute resolution (ADR), Geographic Information Systems (GIS), interpersonal skills, and professional scientific, engineering and legal knowledge. There will also be a need to train or retrain employees impacted by competitive sourcing. The Department has already developed several new training policies frameworks (New Employee Orientation, Supervisory Training, Upward Mobility) and eight specific training programs (Executive Forum/Speaker Series, Government-wide Career, Balance and Diversity Forum Series, Senior Executive Service Candidate Development Program, Team Leadership Program Intern Programs, New Employee Orientation, Supervisory Training, Executive Assistant Certification Program). Development of training programs has been a Departmental performance plan goal since FY 1999. To further our efforts in this area, we will:
- C Develop additional policies and programs to support employee development and life-long learning. (*Target Date: New programs will be added annually.*)
- (c) *Overcome regulatory and legal barriers, such as inflexible hiring and compensation systems, and improve the way we recruit and retain employees.* The competitive national job market makes it increasingly difficult to attract and keep talented and innovative workers using the tools provided by the current civil service system. Even so, more can be done to utilize existing flexibilities. The following actions will be pursued in this area:
- C Ensure that budget submissions include the need for specific funding to cover recruitment and retention bonuses and programs (including Student Loan Repayment), relocation allowances, and other human capital needs where and when necessary. (*Target Dates: Where possible, this information was included with FY 2003 budget requests; All bureaus will include such information in FY 2004 budget requests and beyond.*)
- C In concert with the Administration's civil service reforms that will be included in the "Freedom to Manage" initiative, study pay-banding and identify opportunities for use within the Department for positions currently in the General Schedule. Work with bureaus wishing to adopt such a compensation system. (*Target Date: July 31, 2002*)
- (d) *Expand our efforts to create a diverse workforce that mirrors the face of the Nation. Recruitment of talented individuals has been, and continues to be, a high priority for the Department.* Historically, minorities have not attained a level of employment in the Department commensurate

with their presence in the Nationwide Civilian Labor Force. Efforts to improve the under representation of diverse employees have not produced significant results.

To address this under representation, the Department recently contracted with ParadigmWorks, Inc., to provide additional support in recruiting diverse candidates for under-represented jobs. ParadigmWorks, Inc., is a full service staffing agency that provides diversity recruitment and placement services in both public and private sectors. As such, they work with local communities, community organizations, and minority organizations to ensure an extensive, diverse pool of qualified applicants. In addition, they have launched an aggressive recruitment campaign that includes radio, television, and other media to identify, attract and recruit new talent for the Department and its bureaus. To support these activities, the following actions will be taken:

- C Review the effectiveness of the ParadigmWorks contract and determine if it should be extended for the next optional year and if additional skills (occupational series coverage) added to the contract. *(Target Dates: January 31, 2002, and January 31, 2003)*
- C Review similar contracts, including those with Internet recruiting firms, administered by individual bureaus and determine if such contracts should be extended Department-wide. *(Target Date: September 30, 2002)*
- (c) *Deal with the specific challenges presented by targeted skill needs that are critical to the accomplishment of our important missions.* In the Department's Workforce Planning and Restructuring Report to OMB, we identified 89 targeted occupational series that are critical to the accomplishment of our important missions. Those occupations were targeted due to the total number of positions, high retirement and/or attrition projections, and criticality to specific mission needs. For planning purposes, we have collapsed the occupational series into 17 skill groups that will facilitate recruitment and retention activities. Actions to deal with the challenges presented by these targeted skill needs include:
 - C Investigate the use of a Departmental "Career Field" approach to recruiting, retention, and employee development as successfully utilized by the National Park Service and other Federal agencies. Each Career Field would consist of specific occupations that are functionally related. Recruiting programs, intern programs, career development programs, succession planning programs, and career management activities would be built around each career field. *(Target Dates: Workgroup will complete review and make recommendations on Career Fields by June 30, 2002; first Career Field programs would be developed and in place by December 31, 2002; additional programs and career fields will be added on an on-going basis, thereafter.)*
 - C Consistent with the Department's performance goal of developing training programs, develop additional policies and programs to support employee development and life-long learning. *(Target Date: New programs will be added annually.)*

Federal Personnel Payroll System (FPPS): National Business Center

The FPPS 2000 initiative provides a more intuitive FPPS, better data access and reporting, and a COTS solution to automating Human Resource tasks. There are three focused projects, including WebFPPS, FPPS DataMart and FHRIS. WebFPPS makes FPPS more intuitive by providing a graphical user interface adhering to industry best practices for personal computer applications. FPPS DataMart provides a power system for querying and reporting on FPPS, and transforming the data into information. Both systems are web enabled, reducing implementation and support costs.

Both WebFPPS and FPPS DataMart provide a monetary benefit to the NBC and its clients by utilizing web-based technology, which provides a cost avoidance by enabling centralization of the application, automatic client software installation and maintenance, and simplification of network requirements.

WebFPPS provides an improved user experience for processing the personnel actions required to pay employees correctly. This experience is consistent with industry standards for PC software. This makes the system easier to understand and to learn, allowing users, both new and old, to become more productive or productive quicker. FPPS DataMart turns personnel data into information that can be used to manage the personnel and payroll operations, for workforce planning, and in “what if” analysis.

Projected Timeline:

Planning: February 1999 through January 2000

Implementation: Initial implementation for both WebFPPS and FPPS DataMart in January 2000 through January 2002.

II. Bureau-Specific Activities and Plans

Workforce Planning: U.S. Fish and Wildlife Service

The U.S. Fish and Wildlife Service will implement a comprehensive Human Capital Investment Strategy designed to build on earlier workforce planning efforts to assess the current and future workforce skills needed to deliver the Service's mission. The workforce analysis submitted in June 2001 provided an excellent overview of the Service's workforce. The Service will to refine the data by conducting further analysis on a programmatic and geographic basis, which will provide the needed linkage between workforce planning and mission goals.

To accomplish this workforce planning effort, the Service will establish a Core Team of human resource professionals to advise and assist the Service in the development of the workforce plans for each of the Service's major program goals. This would include Refuges, Migratory Birds, Threatened and Endangered Species, Habitat-Off Service Lands, and International Affairs. Workgroups representing each of these areas will assess the impact of future changes on the workforce and develop human resource goals, measures and strategies to support the Service mission goals.

Consolidation of Occupational Series and Qualification Standards: Biological Science occupations comprise 47% of the Service workforce. The Service has been working closely with the Office of Personnel Management in their classification review of the Biological Science Occupational Family, the GS-400 occupational group. This review of the classification standards will update the standards to properly reflect the work currently required of the profession, and may provide an opportunity to consolidate the nine different biological science occupational series currently used by the Service into fewer distinct series. Coupled with the classification review, the Service will conduct a review of the qualification standards applied to the biologist series resulting from the classification standards review. This could result in the Service redefining the qualification standards which, it is hoped, will eliminate several of the minor but limiting differences in the positive educational requirements for each distinct series. This will, in turn, facilitate movement of staff across program areas, providing the Service with a more nimble workforce to address changing demands of our mission and our customers.

Employee Engagement: The Service is currently considering expanding the Gallup Q-12 System initiative conducted in the Northeast Region to a Servicewide program. This system is centered around 12 simple questions that Gallup research shows to be highly correlated with productivity, customer satisfaction, retention of the best and brightest, and safety and profitability. Based on employee survey results, each work team is provided a report reflecting the teams level of engagement (employee satisfaction). The team can then develop their own action plan to address workplace issues to improve their engagement. This process will enable the Service to focus the workforce on mission accomplishment by breaking down the workplace barriers that inhibit employee engagement

Service-First Co-location: Bureau of Land Management

The Bureau of Land Management and Forest Service, in a response to Congress following a GAO audit of the Service First way of doing business, agreed to the development of an office co-location plan. The GAO reported "it appears that co-location of Forest Service and BLM units is one of the most beneficial actions taken under the initiative in terms of operating efficiencies and service to the public." The GAO recommended that the two agencies develop a 5-year joint co-location plan. The BLM is preparing a co-location plan that gives local line officials and managers broad flexibility to determine which office co-locations support community interests, promote better customer service and other benefits.

The GAO audit report identified several towns or cities where each agency has one or more offices that may be co-location candidates. A preliminary inventory of where both agencies have office space is posted

to the Service-First internet website. Also posted there is a web-based data entry tool with instructions for its use. Working together, local managers will use this inventory plus any recent changes and other necessary information to prepare and provide input for a joint agency co-location plan.

The performance objectives of co-location are to provide one-stop customer service at all available locations where the BLM and the Forest Service have an office in the same town, and to enhance internal operations through space and other resource sharing opportunities. The BLM and the USFS have had several successful co-location efforts including the San Juan National Forest, the Durango Field Office, the San Carlos Ranger District, and the Royal Gorge Field Office.

Projected Timeline:

Planning:

Focus meetings complete	September 1, 2001
Field input complete	November 30, 2001
National plan developed	February 1, 2002

Co-location of Functions and Personnel: National Park Service

The National Park Service is examining the feasibility of increasing the sharing of functions across a greater number of offices/centers and park units. The National Park Service is a large, geographically-dispersed organization, with a headquarters office in Washington, DC, seven regional offices and various field offices/centers and a total of 384 authorized park units stretching from Acadia National Park in Maine to War in the Pacific in faraway Guam. The Service is seeking to reduce costs and increase efficiency through co-location and centralization of services and personnel. The Service has established a working group of Washington, DC, and regional office personnel to examine the feasibility of increasing the sharing of functions. The Service currently has a number of co-located services and personnel.

Projected Timeline:

Planning: From October 1 through November 1, 2001, the work group will discuss options, make recommendations and compile a refined inventory of shared services and functions Servicewide. The results will be presented to the NPS National Leadership Council in November 2001. Upon their approval, a final plan will be developed by December 1, 2001.

Implementation: Once the final plan is developed, the actual timeline for implementation will be dependent upon the recommendations that are adopted.

Regional Office Study: U.S. Fish and Wildlife Service

In keeping with the President's initiative to create a citizen-centered government that is streamlined, results-oriented and market-based, the U.S. Fish and Wildlife Service will contract out for an independent examination and evaluation of the Service's Regional Office organization, structure, functions and responsibilities. The Service plans to use an outside contractor that has recognized expertise in management audits of large governmental organizations. The purpose of the contract will be to identify and implement the most efficient organization and operation to achieve the mission of the Service, reduce layers between customers and decision-makers, enhance customer service, assure customer value, and optimize the agency's ability to conduct business in a diverse stakeholder environment.

Projected Timeline:

Implementing actions are expected to begin FY 2003.

Restructuring/Downsizing Federal Aid Administration: U.S. Fish and Wildlife Service

The passage of the Wildlife and Sport Fish Restoration Programs Improvement Act of 2000 reduced administrative funding for implementation of these conservation programs. The effect of this legislation is to require an evaluation of administrative processes, procedures, organization structure, and staffing. Analysis of these areas resulted in recommendations to reduce staffing and FTE levels from approximately 145 in FY 2000 to 125.5 in FY 2001 and 2002, and to 104.5 in FY 2003. Federal Aid has achieved the staffing reduction targeted for FY 2001. The Improvement Act makes more funds available to the States for State conservation activities through apportionment. The reduction in administrative funds brought about development and implementation of improved processes and procedures. These improvements are resulting in greater efficiency of use of administrative funds. A significant nonmonetary benefit is improved coordination and communication with States and other conservation partners.

Projected Timeline:

Planning: October 2000 through January 2001

Implementation: January 2000 through October 2003

Evaluation and Accomplishments Report: August 2001 - The Service provided its first annual Report to Congress as required by the Improvement Act. This report identifies evaluation processes used and accomplishments to date.

Evaluation of the Employee Relocation Program: National Park Service

The National Park Service is beginning a review process to evaluate the equity and cost effectiveness of the current program for providing moving expenses for employees and to recommend options for improving the program. Currently, the relocation program is managed by regional offices. The review process will consider options that include: transferring the program from regional management to servicewide management and expanding the available funding through assessments from park, regional and program office base funding; eliminating the dedicated fund source, so that parks and programs absorb all costs as a necessary cost of operation; developing tighter restrictions on when relocation costs are paid by the employer; and examining how increased outsourcing, which should reduce the number of Federal employees, would impact relocation costs. All options will be reviewed for their compliance with anti-discrimination laws.

Projected Timeline:

Planning: The evaluation and recommendations are expected to be completed by December 1, 2001.

Comprehensive Assessment of Organizational and Position Structures:

U.S. Geological Survey

The USGS will conduct a comprehensive assessment of the organizational and position structures of the Reston Headquarters, the Regional Offices, and field centers/offices. The overall performance objectives of this assessment are to (1) ensure that the USGS has the most efficient and effective organizational and position structures to support its mission, and (2) direct any savings resulting from this assessment to science. To achieve the performance objectives of this management reform, certain tools such as early-out retirement and buyout authorities will be needed to stimulate and manage attrition. In addition, the USGS will identify functions to be competed and, as appropriate, will use performance based contracting to outsource commercial functions.

Specifically, this assessment will be conducted to correct workforce imbalances; reduce managerial layers, improve customer service, obtain a lower ratio of supervisors/managers to employees; eliminate certain deputy, associate, assistant to, special assistant, staff assistant, and similar positions; co-locate and consolidate administrative functions; co-locate and integrate scientific functions; and eliminate or diminish

the performance of low priority functions. Linkage will be made to on-going efforts in FAIR Inventory, workforce balance, workforce planning, future science directions, strategic planning, customer satisfaction, and E-Government. Although this comprehensive assessment covers all organizational segments of the USGS, emphasis will be given to targeting specific parts of the country to implement integrated science centers, thus eliminating duplicative administrative services and providing integrated support services to science; reorganizing the mapping centers to eliminate unnecessary overhead functions and create more flexible working structures for geography projects; increasing the use of private sector services for mapping programs; and reorganizing information technology, information management, and information service functions into bureau- and regional-level service organizations.

Projected Timeline:

Fiscal Year 2002: Complete review of Reston Headquarters, the Regional Offices, and field centers/offices; identify those organizations that require changes, document the organizational and position changes proposed, and develop a management implementation plan and time table; and identify those organizations that require no organizational or position changes and document the reasons for no changes. Identify where co-location can facilitate organizational efficiency and mission accomplishment. For activities that are candidates for co-location, develop a co-location implementation plan and time table.

After approvals for organizational, position, and co-location changes have been made, codify these approvals, and communicate them to employees, customers and stakeholders. (Please note that employees, customers, and stakeholders will be participating in the assessment efforts described above, as appropriate. This communication is only to inform them of the final decisions they have had input to.)

Fiscal Year 2003: Utilizing early-out/buyout authorities, begin implementing the management plan for new organizational and position structures, including the filling of key supervisory and managerial positions consistent with the milestones. Begin co-location of those activities that warrant doing so this fiscal year based on the plan and its milestones.

Post Fiscal Year 2003: Continue implementing the milestones of the management plan and the co-location plan. Evaluate the efficiency and effectiveness of changes made and communicate the results to employees, customers, and stakeholders.

C. Improved Financial Performance

Challenge: Providing Accurate and Timely Financial Information

The President's Management Agenda identifies Improved Financial Performance as one of the five government-wide initiatives. The President's Management Agenda notes that "a clean financial audit is a basic prescription for any well-managed organization, yet the federal government has failed all four audits since 1997. Moreover, most federal agencies that obtain clean audits only do so after making extraordinary, labor-intensive assaults on financial records." Further, "without accurate and timely financial information, it is not possible to accomplish the President's agenda to secure the best performance and highest measure of accountability for the American people."

The Department has received an unqualified "clean" opinion on its consolidated financial statements published in the Department's Accountability Report for the past four years. However, this result has been achieved with labor-intensive efforts to reconcile information in various systems necessary to provide financial statement information and to overcome certain system control and security deficiencies. The lack of integration of current Departmental systems and reliance on outdated technology limits the ability of the Department to further streamline financial statement preparation processes and to meet the objective as stated by Treasury Secretary Paul O'Neill in the President's Management Agenda of providing "accurate and timely information to manage financial program activities on a day-to-day basis as part of a core value set that world-class organizations have adopted."

Financial Management Systems Migration Project Initiative

In 1998 the Department began an effort to replace its current financial management systems. Although the Department has been successful over the years consolidating critical systems (consolidated to one payroll system in the mid 1980's and implemented a single commercial software application for the core financial system for most of the bureaus in the late 1980's to early 1990's), the current core financial system, which is critical to the management of the Department, is nearing the end of its life and is based on outdated technology.

- C The primary vendor for the Department's current system has already developed and is marketing a new generation of core financial software and is likely to discontinue support of the old version in the next 5 to 7 years. The Financial Management System Migration Project time frames will allow an orderly transition to replacement systems/services, if the process begins in FY 2003.
- C Other critical transaction systems, such as property and grants systems, are not integrated with the core financial system. In addition, the Department's budget formulation process is manual. The Department does not have an integrated executive information management capability to provide integrated data to senior management.
- C Current systems do not support activity based costing necessary to improve the management of the Department at all levels.
- C The outdated technology does not support new computer security requirements and is not designed to move into the E-Government world without significant privacy, data integrity, control, or reliability risks.

The Financial Management Systems Migration Project will address these critical deficiencies.

Progress to Date:

The Department, working collaboratively with the bureaus through a Financial Management Systems Migration Steering Committee, has formulated a strategy to establish and maintain an integrated financial management system for use by all bureaus. The system will:

- C Allow users in the field and senior management to access common financial data when they need it to perform their functions effectively and efficiently,
- C Allow processing necessary to record underlying transaction data and the infrastructure to provide easy access to the data will be handled in the background with limited or no human intervention, and
- C Provide a secure integrated systems information environment that will support E-Government initiatives, be paperless, require only a single user log-on for access, allow one-time initial data entry, and provide easy access to common data.

Following the direction of the Clinger-Cohen Act of 1996, this proposed financial systems improvement strategy includes reengineering processes and has built a business case for making the investment in financial management systems replacement. The project has completed the initial three phases:

Phase I - functional analysis, Phase II - business process review, and Phase III - business case development. These efforts provided the basis of a comprehensive strategy for implementing a new integrated financial management system that adheres to the Joint Financial Management Improvement Program's "*Framework for Federal Financial Management Systems*." Thirteen cross-functional teams were established that assessed each financial management business process and identified both process improvements and outlined the data used in each process; the information required by each process; and the system requirements to support the streamlined processes.

The scope of the effort will include the following critical functions of the Department: core financial, acquisition, personal property/fleet management, travel, budget, financial assistance, real property and enterprise management information. The strategy for implementing the new systems will be to implement the system capabilities in phases by designing the systems to be implemented across the Department, but implementing the new systems capabilities in two bureaus first (Office of Surface Mining and Minerals Management Service) before implementing the systems capabilities in the other bureaus.

This project is being coordinated with the Department IT Strategic Planning efforts, is being included as part of the Interior information systems architecture, has prepared and submitted to OMB the required Capital Asset Plan and Justification (300) and has been reviewed and approved through the Department's capital planning process.

The Expected Results:

The strategy supports, to some degree, all five of the President's management goals:

- C *Strategic management of human capital*—by providing better cost information to support workforce restructuring;
- C *Competitive sourcing*—by providing better cost information on operations including the use of activity-based costing;
- C *Improving financial performance*—by integrating additional systems with the core financial systems to enhance support for financial statement preparation, providing more timely financial information to managers without the current reconciliation issues, and increasing the integrity in the Department's payment processes to avoid erroneous payments;
- C *Expanding E-Government*—by supporting secure electronic connections with outside parties purchasing services or obtaining information from the Department, supporting electronic procurement and payment infrastructure for vendors doing business with the Department, and supporting business process changes necessary to link electronically to State and other Federal agencies for grants and other intergovernmental activity;
- C *Budget and performance integration*—by improving data collection and reporting capabilities to improve budget execution and cost collection tied to performance.

The strategy adds value to:

- C Senior decision makers by providing more accurate and more timely access to critical management information, improving cost information to better support resources allocation decisions, supporting improved analysis of data for more informed decision making, improving integrity in data through better integration and control over information processes, and reducing risk of systems collapse due to the failures of old technology.
- C Line managers by improving the quality of the work environment through better administrative support, better information, and better use of Internet capabilities.
- C Administrative operating personnel by supporting streamlining processes, increasing efficiency and effectiveness through reducing efforts related to reconciliation activities, reducing risks associated with computer security over applications/data and system failures by upgrading old technology, and potentially reducing cost of systems maintenance and increasing the ability to enhance system functionality in the future.

Implementation Strategy:

The Department's acquisition and implementation investment for the first segment of the project is to:

- C Set up the applications to support the functions within the scope of the project for a Department-wide implementation;
- C Implement the new systems capabilities in the first two bureaus (Minerals Management Service and Office of Surface Mining) to ensure the approach works before implementation in the rest of the Department;
- C Support pre-planning efforts in the National Park Service to help prepare the bureau for the first large bureau implementation scheduled to be in the second segment of the project.

The following segments of the implementation will incorporate other bureaus upon the proven success of the functionality in the initial two bureaus beginning with the National Park Service.

FY 2001 Accomplishments:

- We completed the Request for Information (RFI) process by conducting vendor software demonstrations. The purposes of the RFI process were to:
 - Determine if commercial-off-the-shelf software was available to meet the DOI financial management needs;
 - Gain a better perspective on the information technology environment within which these systems operate;
 - Provide more specifics on how much it may cost in the long term to implement and operate these systems; and
 - Determine the timeframe to install and implement these systems.
- The RFI process was successful in providing needed information in each area.
- The FY 2003 Capital Asset Plan (Exhibit 300) was developed.
- Contractual assistance in developing the Statement of Work for the software acquisition Request for Proposals (RFP) was obtained.

Projected Timelines:

In FY 2002 we plan to:

- Complete the preparation of the RFP describing Interior's needs.
 - Issue the RFP for the acquisition of financial management software.
 - Evaluate and test the financial management software proposed by the vendors responding to the RFP.
- For FY 2003 and beyond we plan a series of activities:

- Awarding a contract for financial management software.
- Implementing the Financial Management Systems Migration strategy in phases as defined in the long term strategic plan for the migration to an integrated financial management system for the Department.

Challenge: Improved Cost Management

The Department accepts activity based costing (ABC) as the best method to provide managers with the information to monitor and evaluate program performance and effectively allocate resources. ABC provides the basis for integrating budget and performance, and for holding managers accountable for results. The Bureau of Land Management has taken the lead in implementing this approach and now has detailed and extremely useful information on all its operations across the Nation. This is a powerful tool that will be implemented in all of the Department's bureaus.

This effort is closely aligned with the Department's budget and performance integration. The full description of efforts to improve cost management and cost reporting are included in Section E, Budget and Performance Integration.

Challenge: Erroneous Payments

The President's Management Agenda also identifies erroneous benefit and assistance payments as a government-wide issue. OMB Circular A-11 defines "Erroneous payments" as payments made under the programs listed in Exhibit 57 that should not have been made or were made for an incorrect amount. Examples of erroneous payments include payments to ineligible persons or the wrong organization, payments in the wrong amount, payments for ineligible services, duplicate or other overpayments, and payments for services never received. Erroneous payments may be due to procedural or administrative errors made by the payor (e.g. providing incorrect account numbers in payment instructions) or errors or fraud by payees or claimants (e.g., under reporting of income by beneficiary). Covered payments included overpayments and underpayments made by the Federal Government, its direct contractors, and by States or to other grant recipients administering Federal program. (Source OMB Circular A-11 Section 57)

Although the Department does not have any programs identified in Exhibit 57, the Department makes financial assistance payments under a variety of programs and makes payments to vendors for goods and services. Interior does not make recurring entitlement payments. Based on the Department's initial assessment, we are not aware of any major problems with erroneous payments. From time-to-time duplicate payments or payments in the wrong amount may be made. In such cases, we pursue collection of identified overpayments.

In order to better assess the Department's performance in the area of erroneous payments the Department has established a goal to have no erroneous payments. Specifically, the Department has established the following objectives:

- *Financial Assistance Programs*: The annual target for payments made to external parties associated with Interior's Financial Assistance programs will be to maintain adequate controls over Federal Assistance payment processes to ensure any erroneous payments are kept below 0.05% of the program area as measured by audit disallowances and 60% of the disallowances are returned to the government.
- *Non-Financial Assistance Payments*: The target related to non-financial assistance payments will be to increase the number of pre-audit and post-audit programs related to employee or vendor payments to better monitor these activities beyond the single program for GBL payments.

These measures will be monitored and adjusted as necessary to appropriately respond to the intent of the President's Management Agenda.

D. Expanded Electronic Government

With the increasing use of the Internet, public expectations for faster, more responsive access to our services are growing. It is clear that we must move more of our services and information on-line to meet these changing public expectations. In response to this need, the Department has embarked upon a comprehensive enterprise-wide E-Government initiative to provide internal and external customers broader access to the Department's services. The Department must ensure that appropriate information and transactional services are provided on-line in a cost-effective manner. At the same time, we must ensure that all E-Government initiatives conform to relevant legislative, statutory, and regulatory provisions pertaining to information collection, privacy, records management, and security.

While the Department has made tremendous progress in advancing its business processes to meet the demands of today's electronic environment and provide better service to the public, there is much work yet to be done. The Department currently supports thousands of Internet pages that give customers direct access to information from almost any location at any time. However, in the future, we will also need to provide more of our transactional services on-line as well. In addition, we are exploring how E-Government can transform our relationship to citizens and other agencies by coordinating information services in which we have a competitive advantage. The Department's E-Government strategy includes the following components:

Strategic Plan for E-Government

The Department is developing a comprehensive strategic plan for E-Government. The plan will provide the guiding principles and strategies for the development and implementation of the Department's E-Government program. The plan will address how the Department will better serve its customers by becoming a "Digital Department." Or, in other words, the plan will describe how the Department will take advantage of the rapidly changing technological environment to improve customer service, manage the customer relationship, and adapt to future changes brought forth by the digital economy. The four primary components, and major activities, of the Department's E-Government strategy are:

Customer Relationship Management. The methodologies, technologies, and capabilities that help the Department identify customers, determine what customers want, and how to meet and continuously improve customer service. Major activities are:

- *Building the Customer Relationship*
- *Improving Customer Value*
- *Measuring Customer Support Service Performance*

Organizational Capability. The policies, plans, people, and management processes that are required to develop, implement, and sustain a high level of digital services in support of the Department's mission. Major activities are:

- *Establishing the E-Government Management Framework*
- *Managing E-Government Projects*
- *Creating the E-Government Portfolio*

Enterprise Architecture. The explicit description of the current and desired relationships among business processes and information technology. Major activities are:

- *Establishing the Enterprise Architecture*
- *Building the E-Government Technology Foundation*

Information Assurance. The integrated planning framework and unified approach to developing and implementing security policies, procedures, and plans, including the analysis of threats and vulnerabilities as well as risk mitigation and management. Major activities are:

- *Developing the E-Government Security Framework*
- *Establishing Electronic Signature Capability*

Information Management. The policies, plans, and management processes that are required to meet government-wide requirements the Department's mission.

- *Developing an electronic records management strategy and implementation plan.*
- *Developing privacy act policy and guidance to ensure privacy concerns are considered up front.*
- *Developing policy/guidance to ensure that Section 508, American with Disabilities Act, requirements are considered and included in the design phase of all new E-Government initiatives.*

Interior's Strategic Plan for E-Government is being developed as the Administration's "Quicksilver" E-Government Task Force is developing a set of recommendations for priority e-government investments. The Department is participating in the task force and will incorporate the Quicksilver recommendations into the Department's E-Government strategies.

A flattened and streamlined IT organization will enhance the Department's E-Government approach. Benefits of the proposed restructuring would include better management and deployment of network resources, and better management of the content that is sent over the network to our customers. A consolidated IT infrastructure at the Department will also assist in legacy system and operational transformation at the enterprise and bureau level. The new infrastructure will also set the stage for a cultural shift as we move our organizations and websites from providing on-line forms and information to transaction processing, and ultimately to a full transformation that provides our customers with exceptional products and services.

I. Department-wide Activities and Plans

Implement the Government Paperwork Elimination Act

The Government Paperwork Elimination Act (GPEA) requires agencies to make all appropriate transactional services available on-line by the end of October 2003. The Department has established a strategic goal to provide all appropriate services on-line by 2003. In support of this goal, the following actions have been taken:

- The Department completed an assessment of 284 OMB-approved information collections and identified those that are eligible for conversion to electronic processing by October 21, 2003. The review identified 79 candidates for on-line conversion (including transactions subject to the Paperwork Reduction Act (P.A.) as well as non-P.A. transactions). As of FY 2001, 21 of these activities were identified as fully electronic transactions subject to the P.A., demonstrating progress made within the Department towards realizing electronic government goals. Efforts during the remainder of FY 2001 will focus on determining how many of the remaining 58 candidates are appropriate for on-line conversion.
- The Department has completed a baseline inventory of 150 current interactive electronic government activities.
- The Department is developing policy and guidelines for implementation of Public Key Infrastructure (P.I.) electronic signature technology and ensuring that our electronic records management strategy is consistent GAEA requirements and with National Archives and Records Administration (NARA).

Central Contractor Registration (CAR)

The Administration has directed agencies to use CAR, a government-wide database, as the single point of

vendor registration beginning in FY 2003. By October 1, 2003, agencies will no longer use paper-based registration forms. IDEAS-E.C., a web-based electronic commerce module of the Interior Department Electronic Acquisition System, allows contracting personnel to issue solicitations, receive quotes, and issue contract awards over the Internet. It is indexed to FedBizOps.Gov, which is designated as the single source for posting Federal procurement opportunities that exceed \$25,000. In addition, IDEAS already provides an interface with CAR. Through IDEAS, the CAR is used by Departmental acquisition and finance personnel as a source of a wide variety of vendor information, including product/service codes, addresses, and payment information.

In order to implement the Administration's guidance on using the CAR, the Department will issue and implement new policies by October 1, 2002. These policies will ensure that all Departmental contracting personnel will: (a) use the CAR as the single validated source of data on vendors doing business with Interior; (b) encourage local and small business partners to register with the CAR; and (c) no longer accept the paper-based registration forms (SF-129s) as a source of vendor information. These new policies will result in a one-stop source of vendor information.

Prioritize and Manage E-Government Projects by Improving IT Capital Planning

The Department is improving the integration of IT capital planning into the overall process of managing capital asset investments and acquisitions. We are currently evaluating the adequacy of the rating and ranking criteria used to establish funding priorities for top IT capital investments. The Department is also evaluating options to provide the Department's CIO with an oversight body, such as the IT Review Board, that evaluates and ranks top-priority projects in the IT investment portfolio, and makes recommendations to senior-level policy officials. These efforts will help ensure that funding priority goes to IT projects that meet Federal standards for IT security and enterprise architecture, and are compliant with GPEA.

Propose Investments that are Compliant with the Clinger-Cohen Act

In evaluating current IT capital planning and investments, the Department's efforts are aimed at maximizing the value of IT investments and managing their risk, in accordance with the requirements of the Clinger-Cohen Act. The Department is developing processes to ensure that future E-Government capital investments comply with Clinger-Cohen requirements.

Develop and Improve Cross-Agency Web Portals: Recreation.Gov

The Department plans to significantly enhance the capability of the Recreation.Gov portal (www.recreation.gov). This site currently features basic information about all Federal recreation areas, over 2,000 sites managed by eight agencies from four different Cabinet Departments. Federal agencies are well positioned to make major improvements in the recreation-related E-Government services we provide to the American public. The multi-agency Recreation.Gov website provides a good base to expand upon. We can dramatically improve the information and services we provide to the visiting public by:

- Partnering with States to develop a national database of recreational information.
- Using geospatial technology to develop a user-friendly, searchable Internet mapping function featuring trails, campgrounds, visitor centers, and route mapping services.
- Providing one-stop transactional services, including campground reservations and sales of recreational passes, maps, and other products.
- Partnering with private and non-profit sectors to provide links to associated services.

The Recreation.Gov site will be closely linked with the new Volunteer.Gov portal, which is scheduled to be released this fall. Volunteer.Gov will be an Internet-based, searchable database of volunteer opportunities for all Federal land management and natural resource agencies. Users will be able to locate volunteer

opportunities and submit applications on-line.

The enhancement of Recreation.Gov is currently being reviewed by OMB's Quicksilver Task Force.

Projected Timeline: Under development.

Volunteer.Gov

Develop a Volunteer.Gov portal. The Federal land management agencies work with hundreds of thousands of volunteers each year, who provide services worth millions of dollars. The Department alone has over 200,000 volunteers each year, compared to on-board workforce of about 68,000 FTE. Our volunteer programs also build bridges and partnerships in the communities we serve. Volunteer.Gov will make these volunteer opportunities more accessible to a broader range of the public through the web. Individuals will be able to search for volunteer opportunities by location, agency, or personal interest and submit applications on-line. It will be an Internet-based, searchable database of volunteer opportunities for all Federal land management and natural resource agencies. The partner agencies in this project are National Park Service, Bureau of Land Management, U.S. Fish and Wildlife Service, Bureau of Reclamation, U.S. Geological Survey, Forest Service, and Army Corps of Engineers

Eventually, this portal could be expanded to incorporate volunteer opportunities for other service areas across government, such as education, science, health care, social service, etc. A working prototype of the website can be viewed at: <http://ec21dev.nbc.gov/volunteer/>

Projected Timeline:

Portal Launch Date: October/November 2001

Permit.Gov

The Department plans to create a new Permit.Gov web portal. This would be an interagency portal that would provide user friendly, public access to Federal land permitting information. This would be a secure site that would allow customers to electronically submit permit applications and associated fees on-line. As part of this initiative the agencies will also reengineer their business processes. Examples of the types of Departmental permits that would be accessible are:

- C BLM – Applications for Permit to Drill, Rights-of-Way
- C BLM/FS – Consolidated Grazing Permit
- C FWS – Hunting, Fishing

One-stop Federal permitting is one of the initiatives under consideration by the Quicksilver task force.

Projected Timeline:

Planning: During the first quarter of FY 2002, establish a cross-agency team to begin designing the new portal.

Spatially Enabling Electronic Government -- National Spatial Data Infrastructure (NSDI)

The National Spatial Data Infrastructure (NSDI) is the foundation to develop, maintain, share and use geographic data using the most current and developing technologies. The Department plays a key leadership role in the development of the NSDI through its leadership of the Federal Geographic Data Committee (FGDC) that provides Federal direction and management for the implementation of the NSDI. The FGDC seeks to maximize cooperative participatory efforts with state, local and tribal governments, private sector and other nonfederal organizations in building this infrastructure. Government that is enhanced by location or geographic information can help transform government business processes, service

delivery and accountability across all government programs. The NSDI is a building block for e-government that can effectively leverage the capabilities of all participants, reduce duplication of effort, enhance the delivery of government services, and improve communication between government and the public.

In addition, as part of its overall e-government strategy, the Department is developing an enterprise capability for geographic information systems (GIS) technology that will support easier, Department-wide access to spatially referenced data and GIS tools. Development of a Departmental enterprise GIS system directly supports electronic government by making it easier for citizens to find and use geospatially referenced data for a wide variety of applications. It will allow land and resource managers across the Department to more easily share and exchange the data they need for land and resource analyses and will increase the efficiency of initial field data collection and storage. Enterprise GIS will maximize the value of IT capital investments in GIS implementation and use throughout the agency by focusing on consistent and standardized tools, software, training packages, etc. The approach will be to build on bureau-level enterprise GIS initiatives that are proposed for FY 2003 (in BLM and USGS) and to expand these efforts to other Departmental bureaus.

Projected Timeline: Under development

Facility Management Software System — MAXIMO

A common, facility management software is being adopted by the National Park Service, Bureau of Land Management, the U.S. Geological Survey, and the Fish and Wildlife Service. This off-the-shelf software (commercially known as MAXIMO) is widely used in the facilities management industry, both private and Federal. The full potential of the software will allow the Department the opportunity to document current asset conditions, schedule and program maintenance and construction work, estimate the cost of work requirements, and document actual expenditures for all constructed assets. This software will also give the Department the capability to assess facilities deferred maintenance critical data needs to determine funding levels for returning assets back to acceptable condition.

Currently there is no common source for collecting facilities data such as condition assessments, work requirements, or the cost of maintaining facilities. For example, the estimated deferred maintenance backlog for the bureaus is between \$4.1 billion to \$8.1 billion. In part, the disparity between the two estimated figures is due to the fact that each bureau has relatively limited management tools and varying business practices.

The National Park Service has taken the lead in using this new software with installation in 125 parks to date. NPS has found that the software allows more comprehensive and consistent approaches to activities such as day-to-day facilities management, program planning and scheduling, condition assessments, project development, management of maintenance and construction, and the tracking of property and deferred maintenance. BLM, USGS, and FWS are presently in pilot/implementation phases that should result in the same benefits currently being realized by NPS.

Projected Timeline: All participating bureaus have completed initial implementation plans. NPS plans to complete full implementation by the end of FY 2003. A BLM pilot deployment of MAXIMO is occurring in FY 2001 and is scheduled for testing in three states for FY 2002. FWS has planned pilot deployment at 10 stations in FY 2002, implementation at 50 additional stations in FY 2003, and the balance of 400 stations by the end of FY 2004. USGS plans to implement MAXIMO at 13 of its largest installations in 3 phases, concluding in FY 2003.

DOI E-Government Portal: National Business Center

The National Business Center (NBC) is designing a DOI E-Government portal. The NBC is creating an e-commerce web portal that is designed as a single unified entry point to financial and commercial services offered by the Department and the NBC. The overall goal of this e-commerce portal is to provide an intuitive and efficient government-to-business (G2B) and government-to-government (G2G) interface allowing businesses to access procurement and financial services as well as payment inquiry systems online.

The NBC has currently developed, tested, and implemented three e-commerce G2B and G2G web applications under the DOI E-Government Portal initiative. The web applications include:

- C Electronic Commerce for the 21st Century (EC21)
- C Business Opportunities
- C Online Credit Card Transactions

EC21

EC21 is a payment inquiry and invoice submission/bill payment web application that allows commercial business clients, as well as government client's access to their financial account data with multiple government agencies.

Business Opportunities

Business Opportunities is a series of G2B web and back-end applications providing procurement opportunities and information for business clients contracting with the Department and participating bureaus.

Online Credit Card Transactions

The Online Credit Card Program is a G2B and G2C e-commerce web application that processes credit card purchases and transactions through an online website. This web application interfaces real-time with Treasury for instant credit card validation and daily credit card deposits to Departmental bank accounts.

Projected Timeline: Under development.

GELCO Travel Manager (GTM) System: National Business Center

Many of the Departmental bureaus currently process travel transactions manually or with limited automated support. Travel processes (from the perspective of the finance offices and travelers) should be improved and streamlined with the implementation of an automated travel management system. The Finance Officers Partnership (FOP) has long recognized the need for an automated travel management system to improve the travel processes. Three bureaus/offices (U. S. Geological Survey, Bureau of Indian Affairs, and Office of the Secretary) either have implemented, or are planning to implement, an automated travel management system (Travel Manager).

During the recent system demonstrations associated with the Request for Information (RFI) for the Financial Management Systems Migration Project, various vendors demonstrated their travel management system's capabilities. Based on the observations offered by the RFI participants, Travel Manager was the best of the travel management systems that were demonstrated during the RFI process.

The Financial Officer Partnership addressed Travel Manager implementation and felt that consideration of implementing Travel Manager across the Department was important enough to help to coordinate efforts among the bureaus and the NBC that can provide the service under a special arrangement with GELCO, the provider of the Travel Manager software. In addition, the effort would also look at improving linkages

to other systems such as FFS, the Bank of America SmartPay program, and in the future, the Travel Management Center contractor systems.

The National Business Center has offered to provide the Travel Manager capability on a Department-wide basis. By taking a Department-wide approach, we would eliminate duplication of effort by providing a single point of entry and having data flow through and update the financial system resulting in quicker payments to bureau travelers.

Projected Timeline: Under development.

II. Bureau Activities and Plans

On-Line Academy – Office of Indian Education Programs, Bureau of Indian Affairs

The Office of Indian Education Programs (OIEP) invested over \$3 million to connect its 185 elementary and secondary schools to the Internet. This network also serves as an on-ramp to the Internet for Indian communities. With the completion of school connectivity, OEIP's technology initiative will shift to support for development of engaging, culturally relevant online standards based curriculum for Indian students and their teachers.

The On-line Academy Program based at the University of Kansas is developing instructional modules in reading, positive behavioral support, and technology in education for pre-service and in-service teacher education programs across the Nation. The Academy model takes advantage of web-based technologies to maximize the delivery of all Academy instructional programs. The tribal colleges, working with the University of Kansas and the University of Texas, will develop modules to meet the unique needs of teachers of Indian students. The jointly developed modules will be moderated by instructors at tribal colleges made available over the Internet to teachers of Indian students.

In addition, modules will be developed for adult American Indian people to enhance their education levels and prepare them for the world of work.

A special website will be developed by University partners, teachers, and curriculum development specialist to support all teachers who are teaching Indian children, whether they are in Bureau-funded schools or in public schools. The web site will consist of teaching models and thematic units tied to national and state content standards that will engage students in authentic and meaningful problem solving, research and data analysis. The web site will also demonstrate how to use local Indian culture and language through on-line lesson plans, and how to integrate technology, content and culture. The site will also be a place for teachers to exchange ideas, lesson plans, and receive support from on-line mentors and other teachers.

Projected Timeline: Under development.

Offshore Minerals Management (OMM) Program: E-Government Transformation, Minerals Management Service

This initiative transforms OMM's business processes, which generate as much as \$10 billion per year in Federal revenues. The goal is to provide secure, online access for all citizens, including MMS employees, to appropriate MMS information and business processes. MMS will design and implement a distributed enterprise architecture to deliver web-based, paperless transactions, and provide data standards to better manage data, reduce future costs, and deliver products to stakeholders. MMS is exploring developmental options for this initiative with their industry partners.

Projected Timeline:

Planning: February 2001 through September 2002

Implementation: October 2002 through September 2006

Evaluation and Accomplishments Report: Quarterly IT project review at DOI Annual Review with OMB

Enterprise Geographic Information System: U.S. Geological Survey

The USGS is proposing the development of an enterprise GIS system that will provide a more effective and efficient bureau-wide approach to the collection, management, and delivery of geospatial data and services. When fully developed, the enterprise GIS will include a consistent suite of integrated, web-accessible GIS tools, together with a bureau-wide scientific database restructured for seamless, GIS-based data retrieval, and real-time mobile GIS capabilities. Development of an enterprise GIS capability will mean that data from major USGS-led national-level data systems such as the National Water Information System, the National Earthquake Information Center database, and National Biological Information Infrastructure, as well as a vast amount of project-specific USGS spatial data will become more readily accessible and interoperable. Access and transferability to all Departmental bureaus will be considered during development of the USGS enterprise GIS system. This will allow all Departmental bureaus to have enterprise GIS capabilities using USGS generated data and software tools. USGS will help establish a Departmental enterprise GIS working group that will meet periodically to discuss and facilitate technology transfer, tool development and lessons learned. The ultimate goal would be to develop a Department-wide enterprise GIS system. When fully implemented, a significant return on investment will be realized when bureau operating costs decline due to efficiencies in collecting, maintaining, and delivering GIS data and GIS tools through a single enterprise wide architecture. In terms of performance, the initiative will enhance long-term data collection and management capabilities and provide the foundation for building improved decision support capabilities for customers. It will also increase access to and utility of national hazards related data for use in risk assessments as well as real time deployment of emergency response.

Projected Timeline: Under development.

Enterprise Geographic Information System: Bureau of Land Management

The BLM is structuring the Enterprise GIS into two projects. The export of these applications could be shared with other land management agencies, both local and State.

Information Technology to support Land Use Planning: This endeavor will provide Land Use Plans, generated by field offices, a presence on the Web to collect local/state/private individual/organizational concerns about proposed Land Use actions. To complete this task, the IT Infrastructure and data standards issues will be addressed via the Bureau Enterprise Architecture effort.

Enterprise GIS Applications: The development of desktop GIS applications to support the end user in the use of a spatial graphic interface to their specific discipline. It will permit the capture of field collection data, seek and collate textural information, and provide a means to complete site-specific analysis of proposed actions.

Projected Timeline: Under development.

Gateway to the Earth: U.S. Geological Survey

As part of its commitment to enhancing electronic government, the USGS is developing "Gateway to the Earth" to provide a single common access and distribution point for all our customers to find and use USGS information on topics including natural hazards, energy resources, and many other issues. Approximately 200 different USGS websites now serve more than 200,000 customers per month. In the past, there has been little interconnection among USGS programs and offices in organizing this more than

\$20 billion worth of scientific information and data. Gateway to the Earth will provide “one stop electronic shopping” with a fast, reliable, integrated web interface and multidisciplinary, place-based (geospatial) searching capability. Key elements of the Gateway to the Earth framework will include a single interface to all major USGS databases so users can search them with a single request; a network of failure-resistant web servers to ensure that critical USGS data remains available even in a serious natural disaster, such as an earthquake or hurricane; an advanced spatial search feature that will let customers easily search for all USGS information by place; enhanced indexing of USGS websites to provide easy thematic search across all USGS information; and a comprehensive, web-accessible products catalog of printed USGS reports and maps.

Projected Timeline: Under development.

National Biological Information Infrastructure (NBII): U.S. Geological Survey

The National Biological Information Infrastructure (NBII) is a web-based system coordinated by the U.S. Geological Survey (USGS) that provides data and information on the nation's biological resources. It links biological databases, information products, and analytical tools maintained by the rich tapestry of NBII partners and other contributors in government agencies at the federal, state and local levels; academic institutions; non-government organizations; and private industry. This collaborative program, which enables USGS to leverage federal dollars against the monetary and non-monetary resources from all sectors, was formed from the outset with a focus on community building. It is rooted in the concept that availability of reliable biological, biodiversity information is essential for sound, science-based decision-making, for the design and management of biodiversity programs and projects, and for the education of the public at large. Digital data, information and tools available through the NBII are organized around a structure of "nodes" — individual components of the network designed to focus on specialized regional or thematic issues.

Electronic Natural History Museum: U.S. Geological Survey

The Electronic Natural History Museum would provide on-line access to information about the biological species collections housed in natural history museums, botanical gardens and herbaria, academic institutions, and government agencies of the Nation. Millions of natural history specimens in hundreds of different museums and research collections across the country document the natural heritage of the Nation from colonial days to the present. Access to these specimens and the unique national value they represent is poor and can only be gained through individual visits to these museums or the loaning of these irreplaceable, fragile specimens through the mail. Thus, access is slow, hit or miss, and tedious at best. This vast treasure trove of information is essentially locked up, hard to find, isolated and very widely dispersed across the Nation. The Department proposes to take the lead in forging a new public-private partnership to develop and implement a national-scale vision to provide efficient, comprehensive access to this unique national information asset.

Projected Timeline: Under development.

National Integrated Lands System (NILS): Bureau of Land Management

The Bureau of Land Management is the Cadastral Survey authority regarding all Federal land holdings. Since the early days of Federal estate, the establishment of a land grid to tie all decisions against has been paramount. The National Integrated Lands System is the redefining of the cadastral survey methodology to modern technologies that include Global Positioning System (GPS), GIS, data warehousing, and other sophisticated tools to improve the positional accuracy of the ground survey.

The databases (Geographic Coordinate Data Base, LR2000, Geocommunicator, and others) will be integrated and centralized to provide a single source of information so important to industry, government, and interest groups. This effort is co-sponsored by Forest Service.

Projected Timeline: Under development.

Abandoned Mine Land Inventory System (AMLIS): Office of Surface Mining

The Office of Surface Mining Reclamation and Enforcement (OSM) will develop a web based version of the AMLIS which will allow States, Indian tribes, and OSM to electronically update and maintain data regarding AML reclamation programs and progress.

Projected Timeline:

Planning: FY 2002

Implementation: FY 2002

National Park Service Partnerships

The National Park Service is developing a web-based electronic reporting system to collect data related to partnership and donation information. While certain kinds of partnerships have traditionally developed data on the number and value of partnerships (e.g., Volunteers in Parks, donations of land, donated property, national research partnerships) there has been no mechanism for the holistic collection of this data. The collection of this data is made challenging by the sheer magnitude and diversity of partnerships in which the Service is engaged. In addition, assigning a monetary value to some kinds of partnerships – for example in-kind donations from a partner – present unique challenges since only the donor can establish value. The NPS is identifying effective ways to request, compile, and display this data, coordinating, as possible, with existing mechanisms for collecting information.

In addition, NPS is developing a partnership training program for employees to increase the partnering capability of the bureau.

Projected Timeline:

Data Collection Project:

August 2001 - Servicewide call for 2001 partnership data

September 2001 - Interim report due to OMB

January 2002 - Web-based system ready for beta test

Summer 2002-2004 budget call - data ready

Training Project:

August 2001 - Servicewide Partnership Training meeting; Steering Committee created

September 2001 - Planning meeting for 2002 Servicewide 3-day comprehensive partnership training for managers and partners

January 2002 - Distance learning module on-line for partners and employees

January 2002 - Fund Raising Handbook completed and distributed

March 2002 - Partner with Association of Partners for Public Lands to offer training at annual conference

Summer 2002 - “How-to” Handbook for starting a friends group completed and distributed

E. Budget and Performance Integration

One of the key objectives of the “Government and Performance Results Act” is to help Congress, OMB, agency executives and managers develop a clear understanding of what is being achieved in relation to what is being spent. Linking planned performance with budget requests and financial reports is an essential step in building a culture of performance management. Such an alignment brings performance expectations into budgetary deliberations, prompting any organization to reassess its performance goals and strategies and more clearly understand the cost of performance.

To accomplish the integration of budget and performance, the Department has formulated a strategy that recognizes (a) planning for results requires a clear understanding of the desired measures of success (performance measures) and the actual cost of resources to deliver the performance during a certain period of time, building on the GPRA framework; (b) the budget categories for funding the resources necessary to deliver performance within the framework established by Congress for providing resources to the Department and tracking obligations and outlay against these categories; and (c) reporting on the results through performance and financial reporting on what actually was accomplished and at what cost during a particular period. Toward this end the Department:

- Continues to refine performance management through the GPRA process by improving the linkages between the major goals for the Department, the outcomes desired, the output to deliver the desired outcomes and the performance measure results including the cost of activities to deliver the results.
- Is making progress in linking performance goals to program activities in our budget requests. However, achieving this link is dependent on the capacity of bureaus’ program activity structures to meet dual needs. The bureaus’ budget structures have evolved to help them and Congress control and monitor their activities and spending. As such, their structures are geared to fostering accountability for inputs and outputs within the control of the bureaus. On the other hand, performance plans need to be broad and wide-ranging if they are to express the mission and outcomes the bureaus seek to influence. The performance goal structure in the annual performance plans is closely aligned to the program activity structures in most bureau budgets. Strategies for connecting budgeting and planning structures must accommodate and balance both sets of needs and values.
- Is improving cost reporting within the Department, building from the cost information reported in financial statements to include activity based costing to provide the actual cost data to make appropriate resource decision in planning for performance.

Improving the GPRA Process

The Department is improving its performance reporting practices as well as its overall approach to performance management in such areas as clarity of reporting formats and narrative, increasing use of outcome goals, improving data integrity, and presenting the Department’s missions in a more integrated fashion.

Reporting: Interior’s plans have been moving up the ranking scale since 1997. At one time the Department’s ranking by external reviewers placed it as low as 21st of 24 agencies. Since 1997, Interior has ranked as high as 6th and no lower than 12th among Federal agencies evaluated by the Mercatus Center and others.

Outcome Orientation: Interior has halved the total number of measures it first reported in 1998 and each bureau has improved its suite of performance measures to reduce its emphasis on outputs. Further progress in this area is achievable.

Data Integrity: Interior’s data validation and verification (Data V&V) efforts have been inconsistent from bureau to bureau. To improve performance data reliability across the board, the Department developed a set of guidelines to improve Data V&V. The guidelines were developed by bench marking with other federal agencies such as the GAO, DOT, and DoEd and formulated in concert with

Departmental bureaus and its Office of the Inspector General. The guidelines were tested during the Summer 2001.

Strategic Planning: In FY 2002, Interior will revise its current strategic plan and in so doing create a plan that presents Departmental missions and functions in a more unified, integrated manner. Rather than having nine separate plan, there will be a “Single DOI” Strategic Plan.

Linking GPRA Program Activities to Budgets

Linking Performance Structures to Budget Framework: As an initial step to integrate the bureau’s performance structures with their budgets in FY 2001, the bureaus adopted a strategy of consolidating, aggregating, or disaggregating the budget program activities into component parts and applying performance goals and indicators to those parts. These re-assembled groups have been termed by OMB as GPRA program activities.

The association of budget authority with GPRA program activities is based on detailed program operations knowledge, historical spending, anticipated program changes, and knowledge of direct program costs. Consistent with efforts to link budgetary resources to GPRA program activities, the bureaus have reflected the cost of performance in the statements of net cost presented in their annual financial statements. This is an iterative and evolving process. The bureaus are continuously developing ways to better capture the cost of performance.

Connecting Incremental Funding Changes: The second step to forging a closer link between plans and budgets can be seen in efforts to show the performance consequences of requested levels of incremental funding for annual performance goals accompanying the President’s budget request. The fiscal year 2001 and 2002 annual performance plans produced initial steps in connecting incremental funding changes to performance results, at least at mission goal levels. The annual performance plan goal targets are set based on the funding expected to be available to achieve the goals and are consistent with the amounts shown in the bureau’s budget request to OMB and the Congress and modified to reflect final congressional action on the budget request. As goals are being set, decision makers can determine whether the goals are appropriate and whether the expected level of performance is sufficient to justify the incremental change in federal expenditure and effort.

Improving Cost Reporting:

A final step in appraising performance results is to understand the cost of performance. The Department is expanding the use of Activity Based Costing (ABC) to achieve this objective. ABC is a management tool that attempts to ensure that every cent spent by an organization, including direct and overhead costs, is allocated to products or services in order to identify the cost to the organization of delivering those products or services. An ABC system gives visibility to how effectively resources are being used and how all activities contribute to the cost of a product. Information produced is used to compare costs, identify best practices, and improve business processes.

This approach helps assess the efficiency of performance, in dollar terms. It requires detailed accounting for all expenditures and permits aggregating the information at different levels to suit various decision making purposes. An ABC system integrates not only, performance (both outputs and outcomes), budget, cost, and financial reporting, but also complies fully with applicable accounting standards and GPRA. The Cost Management System provides valuable data for improved decision making by bureau managers and facilitates work process improvement at all levels of the organization because it is linked to work activities. Constructing the standard set of work activities is the first critical step in the efforts to construct an ABC system. Further, ABC information can be aggregated at GPRA activity levels to help associate appropriations requests to targeted performance, or at lower levels to evaluate unit costs for a specific output; e.g., grant administration. Implementing ABC requires sophisticated programming and disciplined

data categorization and entry.

The Department is still in the early stages of converting to ABC. Currently, most of the bureaus have limited capability to examine the full costs of their basic operations. For example, it is currently difficult to determine the full cost to operate an individual park unit or a wildlife refuge. However, the BLM has taken a leadership role to implement activity based costing and now has activity based cost information on its operations. The BLM began its efforts to implement activity based costing (cost management) in 1996 and the Cost Management System was fully implemented and integrated with their official accounting system by October 1999. Integration with program performance measures is still ongoing.

The BLM's initiatives in developing its Cost Management System and MIS can serve as a prototype for other Interior bureaus attempting to achieve the same results. While the BLM initiated its efforts a few years ago, the development and implementation time for other bureaus would likely be shorter. Two more bureaus, MMS and OSM, will engage in pilot ABC-type efforts beginning in FY 2002 and others will follow as the Department pursues additional tools to improve its performance and budgetary decision process. To help facilitate bureau efforts, the Department's proposed new financial management system that is under design is key to this effort and will be flexible enough to accommodate activity based costing.

The Department has also addressed the specific performance/budget integration areas that were raised in its spring guidance letter from OMB, in OMB Circular A-11, and in follow up meetings with OMB representatives in August. This information was provided with the (initial) FY 2003 Annual Performance Plan.

Projected Timeline: Under development.

F. Other Reform Efforts to Improve Delivery of Programs and Services to Citizens

“All of our activities should ‘add value’ so that resources expended effectively and efficiently advance the five elements of the Department’s mission. To this end, we need to identify key opportunities for better advancing our mission, identify roadblocks to their achievement, and develop activities and practices for overcoming roadblocks.”

Secretary Gale Norton

In addition to restructuring efforts that directly support the five initiatives outlined in the President’s Management Reform Agenda, the Department and its bureaus are pursuing additional activities that will result in improved delivery of programs and services to the citizens of America. These activities are outlined in this chapter.

Reform of Indian Trust Resources Management: Office the Special Trustee

One very high priority component of the Department’s management reform effort is trust reform, including the Office of the Special Trustee’s oversight of trust reforms on a Department-wide basis, historical accounting to Individual Indian Money (IIM) beneficiaries, and strengthening BIA programs for long-term trust resource management.

The Secretary has delegated additional authority to the Special Trustee for American Indians to ensure his capacity to implement the Department’s High Level Implementation Plan (HLIP) for trust reform and to recommend future revisions or amendments to the Plan. The Special Trustee has contracted with a private sector project management consulting firm to provide an assessment of all the Department’s trust reform efforts, to make sure that these efforts are moving together in a coordinated fashion, and to ensure that each is being managed to assure success of the entire project. The Department is also committed to the use of performance budgeting in trust reform and the Office of the Special Trustee will be developing performance goals that closely link resources to accomplishments.

The Secretary recently created the Office of Historical Trust Fund Accounting and selected as its Executive Director, Bert T. Edwards. The new Office will oversee the historical accounting to Individual Indian Money (IIM) beneficiaries mandated by the Court in *Cobell v. Norton*. The Office is developing a comprehensive plan analyzing options for accomplishing the historical accounting, as well as providing timetables for implementation that can be reviewed by the Court, Congress, IIM beneficiaries, and the public.

In addition to the millions of dollars in financial assets held in trust for Tribes and individual Indians, the BIA has trust responsibility for more than 45 million acres of tribally-owned land and over 10 million acres of individually-owned land. BIA is continuing to reform its policies and procedures to improve performance in helping the Tribes and individual Indians enhance the revenue-generating capacity of these lands. These reform activities cover the entire range of BIA trust activities including real estate services and appraisals to ensure timely and accurate processing of real estate transactions; improved surveys to ensure accuracy of land titles; management of timber sales and agricultural development; and energy development. In 2003, BIA will continue to acquire fractionated interests in Indian lands from willing

sellers, consolidating those interests into parcels that are more readily managed and better able to produce revenue for the Tribes. Improvements in indirect trust services and programs such as social services and tribal courts are also essential as the Department progresses in its efforts to overhaul current trust operations.

Competitive outsourcing is a key component of BIA's trust reform effort. For example, a recent workforce study by an independent contractor found that trust management activities being carried out by the Bureau involves approximately 2,115 FTE, while 3,889 tribal FTE are involved in trust management through contracts and compact agreements. In FY 2003, BIA will increase its use of competitive outsourcing many of trust activities where it is feasible. With the help of contract/compact employees, BIA will be expanding its trust training activities in FY 2003 to ensure that BIA and tribal staff kept up to date on the development of new trust policies and regulations as well as advances in day to day management of trust assets.

Implementing the National Academy of Public Administration (NAPA) Recommendations: Wildland Fire Program

Following the Cerro Grande fire in New Mexico in 2000, the Department commissioned the National Academy of Public Administration (NAPA) to examine the adequacy of the implementation of prescribed fires by the National Park Service, and to make recommendations to improve both the management and administration of the Wildland Fire program. Phase I of the study, focusing primarily on the Park Service, resulted in an Interim Report to the Secretary on November 30, 2000. NAPA found that the Federal fire management policy was essentially sound, but that it needed to be strengthened and fully implemented.

Phase II of the study is currently underway and focuses more broadly on all five Federal wildland fire management agencies. The broad objective is to provide relevant and practical public administration and management recommendations for strengthening wildland fire management organizations to make them more capable of effectively implementing the fire policy. NAPA will provide advice to improve the organizational capabilities, capacity, and behavior with respect to implementing the following six aspects of the 2001 Federal Wildland Fire Management Policy:

- Hold managers accountable
- Improve interagency coordination
- Improve intergovernmental coordination
- Learn from successful and unsuccessful wildland fire experience
- Plan and manage wildland fire risk
- Manage the wildland fire workforce

Projected Timeline: NAPA will provide preliminary recommendations in October 2001. The final report will be delivered in November 2001.

Divestiture of the San Carlos Irrigation Project (SCIP) Electric Utility: Bureau of Indian Affairs

The BIA and the Department will propose legislation to divest itself of the SCIP electric system and its associated power assets. The operations require the purchase of electric power for resale to the private market because SCIP no longer has hydro-power generation capacity. BIA has no particular expertise to perform this function that evolved as the sale of surplus electricity from an irrigation project. This operation has lost money to the Federal Government as costs exceeded receipts during the electricity crisis in the West in late 2000 and 2001. Because of these issues, SCIP more properly belongs in the private sector and divestiture is proposed.

Projected Timeline:

Planning: Legislative proposal complete by February 2002.

Implementation: Divestiture completed within 24 months of bill passage

Evaluation and Accomplishment Report: Audits and Reports completed within 36 months of passage.

Implementing the National Academy of Public Administration (NAPA) Recommendations:

Bureau of Indian Affairs

The Assistant Secretary-Indian Affairs and the BIA intend to continue implementation of administrative reforms recommended in the National Academy of Public Administration (NAPA) Study of August 1999. The reforms are related to Indian Affairs' administrative services in finance, procurement, property, personnel and information technology. NAPA concluded that BIA needed additional staffing, training, improved policies and procedures, and automated support systems. BIA has begun to implement these reforms.

The Department has initiated management reforms related to procurement, personnel, and information technology. The implementation of NAPA recommendations will be adjusted to conform to the implementation of any Department-wide changes in administration process to gain additional efficiency.

Projected Timeline:

Planning: Completed in June 2002

Implementation: Completed in June 2004

Evaluation and Accomplishment Report: Final in September 2004

Transfer of Title to Reclamation Projects: Bureau of Reclamation

Reclamation will develop recommendations for appropriate modifications or changes to the existing process and policies to make the process more efficient, cost-effective, and to generally meet the goals of the Department for title transfer. Reclamation is evaluating its title transfer initiative to determine if there are additional opportunities to encourage and facilitate the transfer of title to Reclamation projects through cooperation, consultation, and communication with interested parties, including Reclamation's Regional Title Transfer Coordinators and program staff who have had involvement with the title transfer process; non-Federal entities such as water districts, states, environmental groups, and other interested individuals or groups; and key Congressional Committee and personal staff of members who are involved in the legislative end of title transfer.

It is important to keep in mind that Reclamation cannot transfer unilaterally title to Reclamation projects to local non-Federal entities through a more efficient and cost-effective process achieved through this management reform. The transfer of title to any Reclamation project or facility requires Congressional authorization. Hence, the effectiveness of this management reform will ultimately be controlled by Congress.

Projected Timeline:

Planning: September 2001 through August 2002

Implementation: Once planning is complete in August 2002

Evaluation and Accomplishments Report: August 2004

Inspection Reimbursement from Other Agencies: Minerals Management Service

MMS will examine all of the inspections that they are currently doing to determine if any of the inspections are being done for other agencies and pursue reimbursement from those. Proposed inspections will be examined as they are proposed to see if they can be funded through reimbursements from other agencies. MMS has over 70 inspectors that go offshore every day, weather permitting. In

1999, these inspectors conducted over 18,000 inspections covering a diverse set of operations and facilities and pipelines systems of varying complexity. MMS is consistently looking for ways to increase the effectiveness of this program.

Projected Timeline:

Planning:

November 2001: MMS will prepare an inventory of the number of inspections performed on behalf of other agencies.

December 2001: MMS will use the “other agency inspection inventory” to estimate the cost to MMS to conduct each of these inspections.

Implementation:

January 2002: MMS will schedule meetings with each of the agencies to discuss reimbursement options.

February 2002: MMS will draft interagency agreements, as needed, outlining reimbursement plans.

Evaluation and Accomplishments Report: Annually beginning March 2002

Review of Oil and Gas Permit Applications and Rights-of-Way Processing:

Bureau of Land Management

The BLM will identify ways to expedite the process of approving Applications for Permit to Drill (APD) and rights-of-way (ROW) processing. This includes identifying and implementing process improvements, utilization of information technology (IT) to greatly facilitate more efficient well permit processing through electronic commerce with industry and regulatory agencies as well as greatly improved NEPA analysis capabilities through utilization of Geographic Information System (GIS) technology (**BLM National Energy Policy Implementation Plan (NEP) Task # 8**).

Initiate an analysis of opportunities to improve and streamline the management of the NEPA process for energy resource proposals with all surface management bureaus, offices, and affected agencies (**BLM NEP Task # 36**).

Projected Timeline:

Planning: September 2001 - April 2001

Implementation: April 2002

Development of a Joint Bureau of Land Management/U.S. Forest Service Grazing Permit:

Bureau of Land Management

There are over 1600 grazing allotments throughout the western United States where the permittees hold grazing authorizations from the Forest Service (FS) and the Bureau of Land Management (BLM). In most cases the permittee: (1) applies for grazing with each agency; (2) is issued a permit from both agencies; (3) is billed by each agency, and (4) is supervised from personnel from each agency. Interagency agreements have been made, at the local level, to cooperate in management of some of these intermingled/adjacent Federal lands. Development of a unified permitting process would: (1) improve customer service for some BLM/FS grazing permittees; (2) increase the efficiency of both agencies; and, (3) improve range and forest stewardship by developing a common grazing management strategy for those areas that are administered under a joint permit. Issues to be resolved before joint permitting can occur include differences between BLM and FS procedures, regulations, authorizing laws, and agency culture and traditions.

Projected Timeline:

Planning: June, 1997 through February, 2003. Joint permitting possibilities have been and continue to be explored. Efforts are underway, working with joint permittees and agency personnel from selected locations, to further refine this concept.

Implementation: March, 2003 through February, 2004 and beyond. Implementation will occur in selected locations through pilots that would test the permitting process, implementation protocols, and efficiencies.

November 2001 Prepare draft interagency agreements to reflect any agreed upon contributions.

December 2001 Finalize interagency agreements.

Evaluation and Accomplishments Report: January 2002 and annually thereafter

Delegation of Portions of OSM's Fee Audit Authority to States: Office of Surface Mining

This initiative would establish a team to examine the possibility of delegating portions of OSM's fee audit authority to certain states in the west. MMS delegated royalty audit responsibility to most of the western states that contain coal leases on federal land. MMS reimburses the states for their audit costs. OSM will contact some of those states and determine, through similar delegations, if there are any opportunities for reducing overall reclamation fee audit costs and achieving other benefits in this area. If that effort proves worthwhile, additional States will be contacted. At this time, it is not known whether the States would be willing to take on this work, how much funding they would require to perform it, and if there are any legal obstacles to the delegation.

Performance objectives for the transferred functions are to maintain a 99% collection rate on AML fees, and maintain a 93% initial compliance rate as measured by the percentage of permits that report and pay on time.

Projected Timeline:

Planning: October 2001 through 11/2001

Implementation: February 2002 through 2002

Evaluation and Accomplishments Report: September 2002

National Park Service Business Plans

Business plans are being developed through a partnership between the National Park Service, the National Parks Conservation Association, and a consortium of philanthropic organizations led by the Kendall Foundation. The initiative's purpose is to increase the financial management capabilities in park units thus enabling the Service to more clearly communicate its financial status with principal stakeholders. The program sends graduate students from top business and public policy schools across the country to work at NPS units during an 11-week summer internship. These consultants work to analyze and understand all aspects of their park's business from resource management to facilities maintenance.

The business plan itself represents a summary of all current park programs and their costs to achieve the goals of the park unit. Where funding gaps are present, the business plan mirrors the private sector model by offering financial strategies for closing that gap through efficiencies in operation or the development of new capital. Park business plans are used to help internally focus operations and activities and to externally communicate the cost of park activities toward programmatic objectives.

Projected Timeline: Under development.

Consolidate Partners Program and Private Stewardship Initiative: U.S. Fish and Wildlife Service

The Service proposes to reform and consolidate on-the-ground delivery of the Private Landowner Stewardship Grants program and the Partners for Fish and Wildlife program. This consolidation will combine the restoration expertise and landowner contact network of the Partners field staff with the species conservation expertise and experience of the Endangered Species field staff. The combined program staff will develop policies and procedures for the Private Landowner Stewardship Grant program, provide technical expertise to assess applications and support the panel which will recommend grant awards, and deliver and implement the grant program to private landowners in a coordinated manner.

The highly successful Partners for Fish and Wildlife program provides biological, technical, and financial assistance to private landowners and other conservation partners to restore fish and wildlife habitat on private lands. The focus of the new Private Landowners Stewardship Grants program is on federally listed, proposed, candidate, and other at-risk species. The Private Landowner Stewardship Grants program will competitively award grants and other assistance to private individuals and groups to support conservation efforts that benefit federally listed, proposed, or candidate species, or other at-risk species. A diverse panel of representatives from state and Federal Government, conservation organizations, agricultural interests, and the science community will assess applications and make recommendations to the Secretary, who will award the grants.

Although the Partners for Fish and Wildlife program serves a broad cross-section of private landowners, and targets a larger group of species and habitats than the Private Landowner Stewardship Grants program, there is overlap between the two programs. Consolidating the staffing and delivery of these programs will improve their effectiveness and efficiency and avoid duplication of effort. Experience indicates that the vast majority of projects will involve Endangered Species program staff in development and approval of Candidate Conservation Agreements with Assurances (CCAA) or a Safe Harbor Agreements (SHA). The Service intends to consolidate on-the-ground delivery of the new program, but overall management will remain within the Endangered Species program.

Projected Timeline:

Planning: August 2001 - January 2002

Implementation: February 2002 - September 2002

Consolidation of Private Lands Conservation Programs with USDA Farm Bill Conservation Programs: U.S. Fish and Wildlife Service

The Service will work with USDA to evaluate the potential to consolidate Service private lands conservation programs with USDA Farm bill conservation programs. Several significant and sensitive issues will need to be considered in this process. In addition, the Assistant Secretary for Fish and Wildlife and Parks and Director of the Fish and Wildlife Service will have to carefully analyze the potential effects that consolidation could have on achieving the mission of the Service.

Projected Timeline:

Planning:

December 2001	The Assistant Secretary for Fish and Wildlife and Parks, working with the Director of the Fish and Wildlife Service, will analyze the benefits and impacts of consolidating private lands conservation programs with USDA Farm bill conservation programs.
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January - June 2002 Secretary of the Interior and Secretary of Agriculture evaluate the potential and mechanisms for consolidating private lands conservation programs with USDA Farm bill conservation programs. Upon arrival of a confirmed Director.

Implementation:

July 2002-July 2003 If necessary, revise USDA regulations and manuals to reflect any changes in responsibilities that may be necessary.

Evaluation and Accomplishments Report:

FY 2004 Accomplishment tracking reports provided to Department

Facilities Operations Costs(s) Determination: Bureau of Indian Affairs

The Bureau of Indian Affairs is developing a software application that addresses the Operations and Maintenance (O&M) formula for estimating facilities operations costs. The current O&M formula is not a budget-focused formula or formula tool, but rather an appropriations distribution formula. The formula development will consist of two phases, a Short-Term Plan and a Long-Range Plan.

Projected Timeline:

Short-Term Planning: October 2001 - February 2002

Long-Range Planning: December 2001 - October 2002

Quality Assurance and Follow-up Unit: Office of the Inspector General (OIG)

The Office of the Inspector General recently formed a Quality Assurance and Follow-up Unit that will be used to track and verify OIG audit recommendations reported as implemented in order to gauge the outcome of their work and the Department's efforts to implement recommendations. While it may take several years to actually measure the impact of implementing their recommendations, their participation in the implementation process will enhance flexibility and should, in turn, better guarantee that we achieve the intended results that the recommendations envision.

Consulting Services for Departmental Customers: Office of the Inspector General

In order to respond more effectively to DOI management requests, the OIG redirected select audit investigative resources in order to provide consulting services for departmental managers. One of the primary objectives is to institute more short-term quick response products to respond more effectively to Congressional and DOI management requests and to independently and expediently assess areas of concern, usually within a 60-90 day period. This reform gives the OIG expanded flexibility for timely coverage of unplanned requests for OIG assistance.

Expansion of the Office of Program Integrity: Office of the Inspector General

The OIG has expanded and improved the Office of Program Integrity to ensure an increased ability to be responsive to Congressional requests for investigations and reviews and to provide advice to the Secretary concerning law enforcement and investigative issues. This office also provides consultative and solution-oriented assistance to the Department on a wide-range of programmatic issues affecting the Department, including, but not limited to, law enforcement.

IV. Next Steps

“Our efforts to identify and implement reforms will utilize to the maximum extent a team approach that engages the talent and energy of the offices and bureaus. There are no preset outcomes in this process as we will mirror the Secretary’s commitment to coordination, consultation and communication.”

Assistant Secretary Lynn Scarlett

The Workforce Analysis report completed in June 2001 was the first step in the Department’s efforts to identify areas to be addressed in its restructuring efforts. This report takes the next step in identifying specific actions to be taken to address those areas, as well as others areas that have been identified. While some of the actions identified in this plan are ready for implementation, others require additional analysis and refinement before specific implementation actions are identified and taken.

One of the first steps the Department will take immediately is to develop a schedule for implementation that will allow measurement of specific progress towards accomplishment of the actions identified as part of this plan. This schedule will be provided to OMB as a supplement to this report and will be a tool for use by the Secretary’s Management Excellence Council to ensure that restructuring efforts within the Department are successful and lead to real improvement in the delivery of the Department’s services and programs.

The Secretary’s Management Excellence Council will work as a team to ensure that senior managers within the Department have the tools necessary to fully implement the actions that have been identified in this report. Restructuring activities of a similar nature will be coordinated so that lessons learned will be shared and duplication of effort will be avoided. Many of the proposed actions will require creative approaches to cause real change in the way the Department does business. Through collaboration, communication and cooperation, greater creativity and problem solving can be achieved.

In recent years, the Department has become more unified and less bureau-centered. Through the implementation of this plan, we hope to be able to achieve greater collaboration in providing common services at common locations and providing more efficient administrative services, while at the same time preserving the diversity of the bureaus and the proximity of the delivery of services to the citizens who receive these services.

This plan will continue to be refined as more information is gained through implementing the actions which have been identified. As the remainder of the Secretary’s management team joins the Department, additional initiatives may be identified or some of the initiatives outlined in this report may be modified. We will continue to work with OMB as modifications become necessary.

V. List of Acronyms

ABC	Activity Based Costing
ADR	Alternative Dispute Resolution
ADP	Applications for Permit to Drill
AMLIS	Abandoned Mine Land Inventory System
BIA	Bureau of Indian Affairs
BLM	Bureau of Land Management
BOR	Bureau of Reclamation
CCR	Central Contractor Registration
COTS	Commercial off-the-shelf
DAS	Departmental Administrative Systems
Data V&V	Data Validation and Verification
DOEd	Department of Education
DOI	Department of the Interior
DOT	Department of Transportation
FAIR	Federal Activities Inventory Reform
FHRIS	Federal Human Resources Information System
FPPS	Federal Personnel Payroll System
FWS	U.S. Fish and Wildlife Service
FY	Fiscal Year
G2B	Government to business
G2G	Government to government
GAO	General Accounting Office
GBL	Government Bill of Lading
GIS	Geographic Information Systems
GPEA	Government Paperwork Elimination Act
GPRA	Government Performance and Results Act
GPS	Global Positioning System
HAZMAT	Hazardous Material
HR	Human Resources
HRO	Human Resources Operations
ICAM	Infrastructure Condition Assessment Model
ICC	Interagency Coordinating Committee
IDEAS	Interior Department Electronic Acquisition System
IIM	Individual Indian Money
IPC	Interior's Performance Challenge
IQC	Incident Qualification and Certification
IT	Information Technology
MIS	Management Information System
MMS	Minerals Management Service
NARA	National Archives and Records Administration
NBC	National Business Center
NCR	National Capital Region
NPS	National Park Service
OHMSETT	Oil & Hazardous Material Simulated Environmental Test Tank
OAS	Office of Aircraft Services
OCIO	Office of Chief Information Officer
OIG	Office of the Inspector General
O&M	Operations and Maintenance

OMB	Office of Management and Budget
OMM	Offshore Minerals Management
OS	Office of the Secretary
OSM	Office of Surface Mining and Reclamation Enforcement
PAM	Office of Acquisition and Property Management
PKI	Public Key Infrastructure
PRA	Paperwork Reduction Act
ROI	Return on Investment
ROW	Rights-of-Way
SMCRA	Surface Mining Control and Reclamation Act
USDA	U.S. Department of Agriculture
USGS	U.S. Geological Survey

Appendix

Department of the Interior Bureau/Office Competitive Sourcing Plans

The following information regarding: (1) efforts for improving FAIR Act inventory quality; (2) competition/direct conversion plans; and (3) competitive sourcing-related training requirements and planned contract support, is provided in response to a June 19, 2001, letter from the Director, Office of Management and Budget to the Secretary of the Interior concerning FY 2003 budget preparation requirements.

I. Efforts for Improving the Quality of FAIR Act Inventories of Commercial Activities

A. Departmentwide Activities

As a means of improving the quality of its Federal Activities Inventory Reform (FAIR) Act inventory, the Department of the Interior plans the following, effective FY 2002:

- Adopt a centralized approach to the FAIR Inventory and competitive sourcing processes by establishing a Center for Competitive Sourcing Excellence. The proposed Center would be staffed with representatives from a variety of disciplines, e.g., human resources, budget, acquisition management, and program management, who, on a fee-for-service basis, would assist Interior bureaus and offices either directly, or through contract support in the preparation of their annual FAIR Act inventories. The Center will adopt Department- and Governmentwide “best practices” for increasing FAIR Act inventory accuracy as they are identified by the Office of Management and Budget, the Commercial Activities Panel, the Procurement Executive Council’s A-76 Subcommittee, and Interior bureaus/offices.
- Meetings have taken place, and are being scheduled between Departmental and bureau/office management to discuss FAIR Act inventory submissions and areas for improvement.
- A Departmentwide FAIR Act inventory “Stand Down” Day will be held in October 2001 to review the 2001 FAIR Act inventory; identify areas in bureau/office inventorying practices requiring improvement; review and discuss Function Codes and their proper application; cover new Departmentwide inventory collection and reporting processes; and share best practices. Periodic Departmentwide FAIR Act inventory meetings will be scheduled throughout the FY.
- Effective in FY 2002, FAIR Act inventory data gathering by bureaus will begin in October and will be based on personnel data as of September 30th of the preceding FY. Inventories will be submitted to the Office of the Secretary in January, allowing for comprehensive inventory review, analysis, and, as appropriate, revision, prior to agencywide inventory submission to the OMB by the June 30 statutory deadline.

B. Bureau Activities

For their part, Interior bureaus and offices have developed a number of strategies and processes for improving their FAIR Act inventorying processes and submissions. Some best practices have been identified as having potential for Departmentwide adoption and use. Highlights of bureau/office activities include:

1. U.S. Geological Survey: The USGS has convened a Workforce Balance Team to provide a bureau focus to issues relating to workforce balance as well as to statutory and administrative requirements concerning competitive sourcing and enhancing FAIR Act inventory quality. The team will evaluate these issues and develop recommended strategies and proposed action.

In addition, the USGS is in the process of automating the FAIR Act inventory as a web-enabled database application. Headquarters IT staff are developing the necessary system modules to allow the ability to code appropriately as either commercial or inherently governmental each employee in the system along with the appropriate Reason Code for commercial activities. Employee data from the Federal Personnel Payroll System (FPPS) will be initially fed into a single shared database. Requiring only a web browser for access, managers throughout the bureau will be involved in the initial coding and updating as changes occur in the workforce. Future FAIR Act inventories will require only making a small number of updates each year. Managers and personnel staff will be responsible for ensuring the commercial and inherently governmental activities functions are updated with personnel turnover on an annual basis.

2. Bureau of Land Management: To improve the quality of its FAIR Act inventory and listing of inherently governmental functions for 2002, BLM will complete production and use a cross-walk from the positions listed in the FPPS to FAIR Act Function Codes. As part of this process, BLM FAIR Act Coordinators will review the cross-walk with line managers in the field, the Department, and Office of Management and Budget to ensure that the information is consistently interpreted, understood, and easier to complete.

3. Bureau of Reclamation: The Commissioner has appointed a bureauwide management team to review the Bureau's FAIR Act inventory submissions for FY 2000 and 2001 for inconsistencies and to make recommendations for improvements to be included in bureau guidelines. Among other issues, the team will recommend the use of specific Function Codes for like positions/duties, consistency in classification of commercial versus inherently governmental functions, and consolidation of FTE's, as appropriate.

4. National Business Center: The NBC has assigned a Human Resources Officer to support its FAIR Act inventory process. This will assure that future inventories are consistent with personnel data and the FPPS, as well as with the Center's workforce analysis studies and decisions.

5. National Park Service: The National Park Service has contracted with a consulting firm to review and analyze its 2001 FAIR Act inventory regarding Service determinations on inherently governmental and commercial activities. The consultant will also review the Service's distribution of job series across Function Codes. The National Park Service will revise its FAIR Act data

collection processes, as appropriate, upon receipt and review of the consultant's recommendations.

II. Number of FTE by Interior Bureau/Office, Function and Location Being Competed or Considered for Direct Conversion to Contract - Fiscal Years 2002 and 2003

A. Overview

Some Interior bureaus and offices, e.g., National Park Service, U.S. Fish and Wildlife Service, and Office of Acquisition and Property Management have, or are in the process of obtaining contractor support to assist in organizational reviews, reviews of FAIR Act and Inherently Governmental inventories, and the recommendation of competitive sourcing strategies. A number of other bureaus and offices are performing in-house workforce and organizational analyses to identify the best opportunities for applying the competitive sourcing goals within their organizations. The following bureau and office plans are those received by the Office of the Secretary to date. However, **all** Interior bureaus and offices are committed to competing or considering for direct conversion to contract not less than the number of FTE's indicated in the tables below:

Competitive Sourcing Table 1: Interior 2000 FAIR Act Inventory Summary and Goals Data Applicable to Fiscal Year 2002 Competitive Sourcing Activities

Interior Bureau/Office	Total Commercial FTE	FTE Comp. Sourcing Target Based on 5% Goal
Total	20,272	1,015
OS/National Business Center (NBC)	425	21
OS/Office of Aircraft Services (OAS)	37	2
Other Departmental Offices (OS)	295	14
Bureau of Indian Affairs (BIA)	913	46
Bureau of Land Management (BLM)	2,118	106
Bureau of Reclamation (BOR)	2,998	150
U.S. Fish and Wildlife Service (FWS)	496	25
Minerals Management Service (MMS)	534	27
National Park Service (NPS)	9,787	490
Office of Surface Mining (OSM)	49	3
U.S. Geological Survey (USGS)	2,620	131

Departmentwide, the top 10 commercial functions (i.e., greatest frequency) identified in Interior's 2000 FAIR Act inventory (i.e., the baseline for FY 2002 competitive sourcing activities) are:

Function Code	Departmentwide FTE Totals
Z999 - Other Maintenance, Repair, Alteration, and Minor Construction of Real Property	2,160
T820 - Administrative Support Services	1,840
T813 - Engineering and Technical Services	1,084
S700 - Natural Resource Services	985
Y999 - Other Selected Functions	901
E500 - Water Data Collection/Analysis	647
S716 - Motor Vehicle Operation	632
R200 - Basic Research & Development	517
T808 - Mapping and Charting	510
W826 - ADP Systems Design, Development and Programming Services	493
S709 - Custodial Services	433

Other frequently identified commercial functions in the 2000 inventory include: Electrical Plants & Systems Operation and Maintenance (413 FTE); Architect-Engineering Services (412.8 FTE); Maintenance and Repair of Grounds and Surfaced Areas (312 FTE); Education Programs (277 FTE); Engineering Services (271.5 FTE); Visual Information (260 FTE); Finance and Accounting Administrative Support (236 FTE); Data Processing Services (222.4 FTE); Criminal Investigation (222 FTE); Maintenance of ADP Equipment (212 FTE); and Other ADP Functions (208.4 FTE).

Competitive Sourcing Table 2: Interior 2001 FAIR Act Inventory Summary and Goals Data Applicable to Fiscal Year 2003 Competitive Sourcing Activities

Interior Bureau/Office	Total Commercial FTE	FTE Comp. Sourcing Target Based on 10% Goal
Total	23,186	2,320
OS/National Business Center (NBC)	438	44
OS/Office of Aircraft Services (OAS)	26	3
Other Departmental Offices (OS)	81	8
Bureau of Indian Affairs (BIA)	2,331	233
Bureau of Land Management (BLM)	2,331	233
Bureau of Reclamation (BOR)	2,654	265
U.S. Fish and Wildlife Service (FWS)	496	50
Minerals Management Service (MMS)	540	54
National Park Service (NPS)	11,807	1,181

Office of Surface Mining (OSM)	55	6
U.S. Geological Survey (USGS)	2,428	243

Departmentwide, the top 10 commercial functions identified in Interior's 2001 FAIR Act inventory (i.e., the baseline for FY 2003 competitive sourcing activities) are:

Function Code	Departmentwide FTE Totals
Z999 - Other Maintenance, Repair, Alteration and Minor Construction of Real Property	2,642
T820 - Administrative Support Services	2,385
S716 - Motor Vehicle Operation	1,436
S700 - Natural Resource Services	1,304
T813 - Engineering and Technical Services	1,106
S410 - Custodial Services (Formerly S709)	944
E500 - Water Data Collection/Analysis	602
W826 - ADP Systems Design, Development and Programming Services	534
S000 - Installation Services Administrative Support	521
W430 - Mapping and Charting (Formerly T808)	516
T804 - Architect-Engineering Services	428

Other frequently identified commercial functions in the 2001 inventory include: Education Programs (380 FTE); Food Services (367 FTE); Maintenance and Repair of Grounds and Surfaced Areas (347 FTE); Research, Development, Test, and Evaluation (342 FTE); Law Enforcement, Physical Security, and Security Guard Operations (336 FTE); Engineering Services (286 FTE); Other Selected Functions (264 FTE); Other Installation Services (259 FTE); and Science and Technology (255 FTE).

B. Interior Bureau/Office Competitive Sourcing Plans - FY 2002 and 2003

1. Office of the Secretary/National Business Center

FY 2002 and FY 2003

Goals: 22 FTE* in FY 2002 and 44 FTE in FY 2003 *(as indicated in its plan)

Functions Being Competed or Considered for Direct Conversion to Contract:

C000 - Administrative Support
C310 - Payroll Processing
S700 - Installation Services
T820 - Administrative Support Service
W826 - Systems Design and Programming
W829 - Client Services

Locations: The National Business Center's Washington, D.C.; Reston, Virginia; and Denver, Colorado locations.

NBC will target current vacancies, positions where incumbent employees are retiring, and look for retraining or reassignment opportunities. If early out/buy out authority is granted, it will also be used by NBC as a means of converting current positions held by government employees to contractor positions.

2. Office of the Secretary/Office of Aircraft Services

Goals: 2 FTE in FY 2002 and > or = 3 FTE in FY 2003

Functions Being Competed or Considered for Direct Conversion to Contract:

FY 2002

T000 - Administrative Support (2 FTE)

FY 2003

J501 - Aircraft (Direct or General Repair and Maintenance of Equipment) (> or = 3 FTE)

Location: The Office of Aircraft Service's Aircraft Maintenance facility in Anchorage, Alaska.

For FY 2002, the Office of Aircraft Services plans to competitively source administrative positions at its Anchorage, Alaska facility. In addition, in preparation for FY 2003, it will conduct a study to determine if all or a portion of the aircraft mechanical work (currently performed by 6 mechanics, a supervisor and inspector) can be competitively sourced.

3. Office of the Secretary/Other Departmental Offices

Goals: 14 FTE in FY 2002 and 8 FTE in FY 2003

Functions Being Competed or Considered for Direct Conversion to Contract (Identified to date):

FY 2002

Office of Acquisition and Property Management

D000 - Administrative Support (2 FTE)

W310 - Computing Services and Data Base Management (1 FTE)

FY 2003

Office of Acquisition and Property Management

W501 - Report Processing/Production (1 FTE)

Location: Washington, D.C.

The remaining 18 FTE will be identified and competitively sourced during FYs 2002 and 2003.

4. Bureau of Indian Affairs

Goals: 46 FTE in FY 2002 and 233 FTE* in FY 2003

*The above goal is an interim baseline established from the Bureau of Indian Affairs' June 2001 FAIR Act inventory. The Bureau of Indian Affairs recently revised its FAIR Act inventory. Following a thorough review and analysis, the Bureau's FY 2003 goal may be raised based on revised inventory amounts.

Functions Being Competed or Considered for Direct Conversion to Contract (Identified to date):

FY 2002

STATE	LOCATION	# of FTE	ACTIVITY/FUNCTION CODE
AZ	Chinle	2	Y999-Other Functions (Force Mgt. and General Support)
AZ	Coolidge	1	Y999-Other Functions (Force Mgt. and General Support)
AZ	Dilkon	1	Y999-Other Functions (Force Mgt. and General Support)
AZ	Fort Defiance	1	Y999-Other Functions (Force Mgt. and General Support)
AZ	Kin Li Chee	1	Y999-Other Functions (Force Mgt. and General Support)
AZ	Many Farms	1	Y999-Other Functions (Force Mgt. and General Support)
AZ	Pinon	1	Y999-Other Functions (Force Mgt. and General Support)
AZ	Whiteriver	1	Y999-Other Functions (Force Mgt. and General Support)
ID	Fort Hall	1	Y999-Other Functions (Force Mgt. and General Support)
MT	St. Ignatius	1	Y999-Other Functions (Force Mgt. and General Support)
NC	Cherokee	1	Y999-Other Functions (Force Mgt. and General Support)

NM	Canoncito	1	Y999-Other Functions (Force Mgt. and General Support)
NM	Bloomfield	1	Y999-Other Functions (Force Mgt. and General Support)
NM	Crystal	1	Y999-Other Functions (Force Mgt. and General Support)
NM	Crownpoint	3	Y999-Other Functions (Force Mgt. and General Support)
NM	Cuba	1	Y999-Other Functions (Force Mgt. and General Support)
NM	Fort Wingate	1	Y999-Other Functions (Force Mgt. and General Support)
NM	Gallup	1	Y999-Other Functions (Force Mgt. and General Support)
OR	Chemawa	1	Y999-Other Functions (Force Mgt. and General Support)
OR	Warm Springs	1	Y999-Other Functions (Force Mgt. and General Support)
SD	Eagle Butte	15	S713-Food Services
WA	Hoquiam	1	Y999-Other Functions (Force Mgt. and General Support)
WA	Nespelem	2	Y999-Other Functions (Force Mgt. and General Support)
WA	Toppenish	1	Y999-Other Functions (Force Mgt. and General Support)
WA	Wapato	4	Y999-Other Functions (Force Mgt. and General Support)
Total		46 FTE	BIA-FY 2002

FY 2003

STATE	LOCATION	# of FTE	ACTIVITY/FUNCTION CODE
AZ	Chinle	1	S410-Custodial Services
AZ	Chinle	1	S713-Food Services
AZ	Cove	1	S713-Food Services
AZ	Dilkon	3	S410-Custodial Services
AZ	Dilkon	5	S713-Food Services

AZ	Dinnehotso	1	S410-Custodial Services
AZ	Dinnehotso	3	S713-Food Services
AZ	Gu Achi	1	S410-Custodial Services
AZ	Gu Achi	1	S713-Food Services
AZ	Houck	1	S713-Food Services
AZ	Kaibito	1	S410-Custodial Services
AZ	Kaibito	3	S713-Food Services
AZ	Keams Canyon	3	S713-Food Services
AZ	Kin Li Che	1	S713-Food Services
AZ	Many Farms	7	S410-Custodial Services
AZ	Many Farms	7	S713-Food Services
AZ	Meonkopi	1	S713-Food Services
AZ	Peach Springs	1	S713-Food Services
AZ	Pinon	3	S713-Food Services
AZ	Polacca	1	S410-Custodial Services
AZ	Polacca	1	S713-Food Services
AZ	Red Lake	1	S410-Custodial Services
AZ	Red Lake	3	S713-Food Services
AZ	Red Rock	1	S410-Custodial Services
AZ	Red Rock	1	S713-Food Services
AZ	San Carlos	3	S713-Food Services
AZ	Sells	4	S410-Custodial Services
AZ	Sells	2	S713-Food Services
AZ	Shonto	3	S713-Food Services
AZ	St Michaels	1	S713-Food Services
AZ	Teec Nos Pos	1	S410-Custodial Services
AZ	Teec Nos Pos	3	S713-Food Services
AZ	Tuba City	5	S410-Custodial Services
AZ	Tuba City	6	S713-Food Services
AZ	Valentine	1	S410-Custodial Services
AZ	White River	3	S713-Food Services

AZ	Window Rock	1	S410-Custodial Services
AZ	Winslow	2	S713-Food Services
KS	Lawrence	8	S410-Custodial Services
KS	Lawrence	7	S713-Food Services
MT	Lame Deer	1	S410-Custodial Services
MT	Poplar	1	S410-Custodial Services
ND	Belcourt	6	S410-Custodial Services
ND	Belcourt	4	S713-Food Services
ND	Dunseith	1	S713-Food Services
ND	Fort Totten	3	S410-Custodial Services
ND	Fort Yates	1	S410-Custodial Services
ND	Fort Yates	1	S713-Food Services
NM	Acoma	1	S713-Food Services
NM	Albuquerque	3	S410-Custodial Services
NM	Bloomfield	1	S410-Custodial Services
NM	Bloomfield	1	S713-Food Services
NM	Canoncito	1	S410-Custodial Services
NM	Crownpoint	5	S410-Custodial Services
NM	Crownpoint	6	S713-Food Services
NM	Crystal	1	S713-Food Services
NM	Cuba	1	S410-Custodial Services
NM	Cuba	4	S713-Food Services
NM	Farmington	1	S410-Custodial Services
NM	Farmington	1	S713-Food Services
NM	Fort Wingate	7	S410-Custodial Services
NM	Fort Wingate	9	S713-Food Services
NM	Fruitland	1	S410-Custodial Services
NM	Fruitland	1	S713-Food Services
NM	Gallup	1	S410-Custodial Services
NM	Gallup	5	S713-Food Services
NM	Isleta	1	S713-Food Services

NM	Laguna	1	S713-Food Services
NM	Prewitt	1	S713-Food Services
NM	San Felipe	1	S713-Food Services
NM	San Juan Pueblo	1	S713-Food Services
NM	Sanostee	1	S713-Food Services
NM	Shiprock	1	S713-Food Services
NM	Standing Rock	1	S713-Food Services
NM	Taos	1	S713-Food Services
NM	Tesuque	1	S410-Custodial Services
NM	Thoreau	1	S410-Custodial Services
NM	Thoreau	3	S713-Food Services
NM	Toadlena	1	S410-Custodial Services
NM	Toadlena	2	S713-Food Services
OK	Anadarko	1	S410-Custodial Services
OK	Anadarko	1	S713-Food Services
OR	Chemawa	1	S410-Custodial Services
OR	Chemawa	6	S713-Food Services
OR	Warm Springs	1	S410-Custodial Services
SD	Eagle Butte	5	S410-Custodial Services
SD	Eagle Butte	8	S713-Food Services
SD	Flandreau	1	S410-Custodial Services
SD	Flandreau	4	S713-Food Services
SD	La Plant	1	S713-Food Services
SD	Little Eagle	1	S713-Food Services
SD	Pine Ridge	4	S410-Custodial Services
SD	Pine Ridge	6	S713-Food Services
UT	Aneth	1	S410-Custodial Services
UT	Aneth	3	S713-Food Services
WA	Wellpinit	1	
Total		233 FTE	BIA- FY 2003

5. Bureau of Land Management

Goals: 125* in FY 2002 and 250* in FY 2003 *(as indicated in BLM's plan)

The nearly 700 positions outlined below are classified in the Reason Code B and C categories, and represent the functional areas that the BLM plans to review or consider for direct conversion in FYs 2002 and 2003. These functional areas were selected based on workforce planning, current skills shortages, anticipated retirements, and existing contracts for comparable functions. In addition, as part of workforce planning, individual managers will review vacant positions in these activity function codes for contracting opportunities.

Z992: Maintenance and Repair of Buildings and Structures

State	City	FTE	Reason Code
AK	Anchorage	3.0	C
AZ	Lake Havasu	1.5	C
CA	Bakersfield	1.0	C
CA	El Centro	1.0	C
CA	Hollister	0.5	C
CA	Susanville	1.0	C
CA	Ukiah	1.0	C
CO	Lakewood	4.0	C
ID	Boise	1.0	C
ID	Idaho Falls	2.5	C
ID	Salmon	0.5	C
MT	Lewistown	1.0	C
NM	Farmington	0.5	C
NV	Battle Mountain	2.0	C
NV	Carson City	3.0	C
NV	Elko	1.5	C
NV	Ely	1.0	C
NV	Las Vegas	1.0	C
OR	Eugene	2.0	C
OR	Hines	0.5	C
OR	Lakeview	2.0	C
OR	Medford	1.5	C
OR	North Bend	3.0	C
OR	Prineville	0.5	C
OR	Roseburg	1.5	C
OR	Vale	0.5	C
UT	Cedar City	1.0	C
UT	Fillmore	1.5	C

UT	Kanab	2.0	C
UT	Salt Lake City	1.0	C
AZ	St. George	1.0	C
WY	Rawlins	1.0	C
WY	Worland	1.0	C
	Total	47.0	

Z993: Maintenance and Repair of Grounds and Surfaced Areas

State	City	FTE	Reason Code
AK	Anchorage	4.0	C
AZ	Kingman	2.0	C
AZ	Lake Havasu	1.5	C
AZ	Phoenix	2.0	C
AZ	Safford	2.0	C
AZ	Yuma	2.0	C
CA	Arcata	1.0	C
CA	Bakersfield	3.0	C
CA	Bishop	1.0	C
CA	El Centro	1.5	C
CA	Folsom	2.0	C
CA	Hollister	1.5	C
CA	Palm Springs	1.0	C
CA	Redding	1.0	C
CA	Ridgecrest	1.0	C
CA	Susanville	2.0	C
CA	Ukiah	2.0	C
DSC	Denver	2.0	C
FA	Boise	2.0	C
ID	Boise	3.8	C
ID	Challis	1.0	C
ID	Cottonwood	0.8	C
ID	Salmon	1.0	C
ID	Shoshone	3.5	C
MT	Billings	1.0	C
MT	Butte	3.0	C
MT	Lewistown	2.0	C
MT	Miles City	2.0	C
NM	Farmington	1.0	C
NM	Las Cruces	1.0	C

NM	Socorro	1.0	C
NM	Taos	1.0	C
NV	Battle Mountain	1.5	C
NV	Carson City	3.0	C
NV	Elko	4.0	C
NV	Ely	1.0	C
NV	Las Vegas	4.0	C
NV	Winnemucca	2.0	C
OR	Eugene	8.5	C
OR	Hines	2.5	C
OR	Lakeview	1.0	C
OR	Medford	8.0	C
OR	North Bend	10.0	C
OR	Prineville	1.8	C
OR	Roseburg	8.0	C
OR	Salem	10.0	C
OR	Vale	6.8	C
UT	Cedar City	3.0	C
UT	Fillmore	1.5	C
UT	Moab	1.0	C
UT	Richfield	1.0	C
UT	Salt Lake City	2.0	C
AZ	St. George	2.0	C
UT	Vernal	1.0	C
WY	Rawlins	2.0	C
WY	Worland	2.0	C
OR	Salem	1.0	C
	Total	145.2	

Z999: Repair, Alteration and Minor Construction of Real Property

State	City	FTE	Reason Code
AK	Anchorage	4.0	C
AK	Ft. Wainwright	5.0	C
AK	Glennallen	1.0	C
AK	Juneau	1.0	C
AK	Tok	1.0	C
AZ	Lake Havasu	4.5	C
AZ	Phoenix	1.0	C
AZ	Tucson	2.0	C
CA	Bakersfield	2.8	C
CA	Barstow	3.0	C

CA	El Centro	1.5	C
CA	Folsom	1.0	C
CA	Hollister	0.5	C
CA	Needles	2.0	C
CA	Palm Springs	1.0	C
CA	Redding	0.5	C
CA	Susanville	2.0	C
CA	Ukiah	1.0	C
CO	Canon City	1.0	C
CO	Dolores	1.0	C
CO	La Jara	1.0	C
CO	Lakewood	3.0	C
CO	Montrose	1.0	C
FA	Boise	8.0	C
ID	Boise	3.0	C
ID	Idaho Falls	2.5	C
ID	Salmon	1.0	C
MT	Butte	2.5	C
MT	Lewistown	3.0	C
MT	Miles City	2.0	C
NM	Cuba	6.5	C
NM	Farmington	1.0	C
NM	Grants	1.0	C
NM	Las Cruces	3.0	C
NM	Roswell	2.0	C
NM	Socorro	1.0	C
NM	Taos	2.0	C
NV	Battle Mountain	3.0	C
NV	Carson City	1.5	C
NV	Elko	2.5	C
NV	Ely	1.5	C
NV	Las Vegas	2.0	C
OR	Eugene	4.5	C
OR	Hines	2.5	C
OR	Lakeview	2.0	C
OR	Medford	4.0	C
OR	North Bend	4.0	C
OR	Prineville	1.0	C
OR	Roseburg	6.0	C
OR	Salem	3.5	C
OR	Vale	3.3	C
UT	Cedar City	3.0	C
UT	Fillmore	2.5	C

UT	Kanab	2.0	C
UT	Moab	1.0	C
UT	Richfield	2.0	C
UT	Salt Lake City	2.0	C
AZ	St. George	1.0	C
UT	Vernal	2.0	C
WY	Cheyenne	1.5	C
WY	Rawlins	6.0	C
WY	Rock Springs	3.8	C
WY	Worland	1.0	C
AK	Anchorage	1.0	C
AK	Ft. Wainwright	2.0	C
AK	Galena	1.0	C
	Total	153.4	

W430: Mapping and Charting

State	City	FTE	Reason Code
AK	Anchorage	36.0	B
AK	Juneau	1.0	C
AZ	Phoenix	5.5	C
CA	Bakersfield	1.0	C
CA	Sacramento	6.0	C
CA	Ukiah	1.0	C
DSC	Denver	15.0	B
CO	Lakewood	7.0	C
ID	Boise	8.0	C
ID	Burley	1.0	C
ID	Coeur d'Alene	1.5	C
ID	Cottonwood	1.0	C
ID	Idaho Falls	0.5	C
MT	Billings	9.5	C
MT	Lewistown	2.0	C
MT	Miles City	1.0	C
NM	Santa Fe	8.0	C
NV	Reno	2.0	C
NM	Moore	1.0	C
OR	Eugene	1.5	C
OR	Portland	9.5	C
OR	Roseburg	1.0	C
OR	Salem	1.0	C

OR	Medford	0.5	C
UT	Kanab	0.5	C
UT	Salt Lake City	12.0	B
UT	Vernal	1.0	C
WY	Buffalo	0.5	C
WY	Casper	1.0	C
WY	Cheyenne	14.0	B
WY	Cody	0.5	C
WY	Rawlins	1.0	C
WY	Worland	1.0	C
	Total	153.0* *Identified to date. Competitive sourcing consideration of an estimated total of 200 FTE in Mapping, Charting and Engineering Services is anticipated by 2003.	

6. Bureau of Reclamation

Goals: 150 FTE in FY 2002 and 265 FTE in FY 2003

Functions Being Competed or Considered for Direct Conversion to Contract (Identified to date):

The following table represents the 308 FTE's, their functions and locations to be competed or considered for direct conversion to contract in FYs 2002 and 2003, identified to date. Reclamation's bureauwide Management Team is in the process of completing further workforce and organizational reviews that will result in recommendations regarding the remaining 107 FTE to satisfy the FY 2002 and 2003 goals.

COLBRAN, COLORADO

STATE	LOCATION	# of FTE	ACTIVITY/FUNCTION CODE
CO	Colbran	1	D410-Compliance Operations
CO	Colbran	1	D712-Safety and Occupational Health Mgt.
CO	Colbran	2	G011-Morale, Welfare, and Rec. Services
CO	Colbran	5	G901-Housing Administrative Services
CO	Colbran	5	G999-Other Social Services
CO	Colbran	1	H118-Nursing Services
CO	Colbran	1	H201- Medical Services
CO	Colbran	2	H404-Health Svcs. Admin. and Mgt.
CO	Colbran	2	S100-Management Headquarters-Installations
CO	Colbran	4	S310-Housing Management
CO	Colbran	4	S713-Food Services
CO	Colbran	1	S716-Motor Vehicle Operation
CO	Colbran	2	S731-Supply Operations
CO	Colbran	1	U000-Education & Training-Admin. Suppt.
CO	Colbran	4	U301-Training Management
CO	Colbran	1	U302-Training Administration
CO	Colbran	6	U304-Vocational Training
CO	Colbran	4	U530-Other Full-Time Education Pgms.
CO	Colbran	2	U800-Training Development and Support
CO	Colbran	3	U999-Other Training Functions
CO	Colbran	1	W999-Other ADP Functions
CO	Colbran	1	Y530-Personnel, Community Activities and Manpower Pgm. Management
Subtotal	Colbran, Colorado	54	

NAMPA, IDAHO

STATE	LOCATION	# of FTE	ACTIVITY/FUNCTION CODE
ID	Nampa	1	D410-Compliance Operations
ID	Nampa	1	D712-Safety and Occupational Health Mgt.
ID	Nampa	4	G011-Morale, Welfare, and Rec. Services
ID	Nampa	10	G901-Housing Administrative Services

ID	Nampa	8	G999-Other Social Services
ID	Nampa	3	H118-Nursing Services
ID	Nampa	1	H201- Medical Services
ID	Nampa	2	H404-Health Svcs. Admin. and Mgt.
ID	Nampa	3	S100-Management Headquarters-Installations
ID	Nampa	5	S310-Housing Management
ID	Nampa	3	S510-Law Enforcement, Physical Security, and Security Guard Operations
ID	Nampa	6	S713-Food Services
ID	Nampa	1	S731-Supply Operations
ID	Nampa	3	S999-Other Installation Services
ID	Nampa	4	U000-Education & Training-Admin. Suppt.
ID	Nampa	7	U301-Training Management
ID	Nampa	1	U302-Training Administration
ID	Nampa	8	U304-Vocational Training
ID	Nampa	7	U530-Other Full-Time Education Pgms.
ID	Nampa	3	U800-Training Development and Support
ID	Nampa	5	U999-Other Training Functions
ID	Nampa	1	W999-Other ADP Functions
ID	Nampa	1	Y530-Personnel, Community Activities and Manpower Pgm. Management
Subtotal	Nampa, Idaho	88	

OGDEN, UTAH

STATE	LOCATION	# of FTE	ACTIVITY/FUNCTION CODE
UT	Ogden	1	D410-Compliance Operations
UT	Ogden	1	D712-Safety and Occupational Health Mgt.
UT	Ogden	2	G011-Morale, Welfare, and Rec. Services
UT	Ogden	6	G901-Housing Administrative Services
UT	Ogden	3	G999-Other Social Services
UT	Ogden	1	H118-Nursing Services
UT	Ogden	1	H201- Medical Services

UT	Ogden	2	H404-Health Svcs. Admin. and Mgt.
UT	Ogden	2	S100-Management Headquarters-Installations
UT	Ogden	3	S310-Housing Management
UT	Ogden	4	S713-Food Services
UT	Ogden	2	S731-Supply Operations
UT	Ogden	1	U000-Education & Training-Admin. Suppt.
UT	Ogden	4	U301-Training Management
UT	Ogden	1	U302-Training Administration
UT	Ogden	8	U304-Vocational Training
UT	Ogden	3	U530-Other Full-Time Education Pgms.
UT	Ogden	2	U800-Training Development and Support
UT	Ogden	4	U999-Other Training Functions
UT	Ogden	1	W999-Other ADP Functions
UT	Ogden	1	Y530-Personnel, Community Activities and Manpower Pgm. Management
Subtotal	Ogden, Utah	53	

MOSES LAKE, WASHINGTON

STATE	LOCATION	# of FTE	ACTIVITY/FUNCTION CODE
WA	Moses Lake	1	D410-Compliance Operations
WA	Moses Lake	1	D712-Safety and Occupational Health Mgt.
WA	Moses Lake	2	G011-Morale, Welfare, and Rec. Services
WA	Moses Lake	8	G901-Housing Administrative Services
WA	Moses Lake	6	G999-Other Social Services
WA	Moses Lake	1	H118-Nursing Services
WA	Moses Lake	1	H201- Medical Services
WA	Moses Lake	2	H404-Health Svcs. Admin. and Mgt.
WA	Moses Lake	2	S100-Management Headquarters-Installations
WA	Moses Lake	4	S310-Housing Management
WA	Moses Lake	2	S713-Food Services
WA	Moses Lake	1	S731-Supply Operations

WA	Moses Lake	1	U000-Education & Training-Admin. Suppt.
WA	Moses Lake	4	U301-Training Management
WA	Moses Lake	2	U302-Training Administration
WA	Moses Lake	7	U304-Vocational Training
WA	Moses Lake	5	U530-Other Full-Time Education Pgms.
WA	Moses Lake	3	U800-Training Development and Support
WA	Moses Lake	3	U999-Other Training Functions
WA	Moses Lake	1	W999-Other ADP Functions
WA	Moses Lake	1	Y530-Personnel, Community Activities and Manpower Pgm. Management
Subtotal	Moses Lake, Washington	58	

WHITE SWAN, WASHINGTON

STATE	LOCATION	# of FTE	ACTIVITY/FUNCTION CODE
WA	White Swan	1	D410-Compliance Operations
WA	White Swan	1	D712-Safety and Occupational Health Mgt.
WA	White Swan	3	G011-Morale, Welfare, and Rec. Services
WA	White Swan	8	G901-Housing Administrative Services
WA	White Swan	6	G999-Other Social Services
WA	White Swan	1	H118-Nursing Services
WA	White Swan	1	H201- Medical Services
WA	White Swan	2	H404-Health Svcs. Admin. and Mgt.
WA	White Swan	3	S100-Management Headquarters-Installations
WA	White Swan	2	S310-Housing Management
WA	White Swan	1	S713-Food Services
WA	White Swan	2	S731-Supply Operations
WA	White Swan	1	S999-Other Installation Services
WA	White Swan	1	U000-Education & Training-Admin. Suppt.
WA	White Swan	3	U301-Training Management
WA	White Swan	1	U302-Training Administration
WA	White Swan	6	U304-Vocational Training

WA	White Swan	6	U530-Other Full-Time Education Pgms.
WA	White Swan	2	U800-Training Development and Support
WA	White Swan	2	U999-Other Training Functions
WA	White Swan	1	W999-Other ADP Functions
WA	White Swan	1	Y530-Personnel, Community Activities and Manpower Pgm. Management
Subtotal	White Swan, Washington	55	
Total	Bureau of Reclamation	308	An additional 107 FTE to be identified

7. U.S. Fish and Wildlife Service

Goals: 25 FTE in FY 2002 and 50 FTE* in FY 2003

* The U.S. Fish and Wildlife Service is engaging the services of a contractor to provide support to bureau management in reviewing, evaluating, and making recommendations regarding the Service's FAIR Act and Inherently Governmental inventories' identification and classification of functions. The above goal is an interim baseline that may be raised for fiscal year 2003 as a result of contractor recommendations and management decisions.

Functions Being Competed or Considered for Direct Conversion to Contract (Identified to date):

FY 2002 and 2003:

- **Land Acquisition Support Services** (Function Code T603, Real Property Acquisition Support Services): The Service estimates that by the end of FY 2003, as many as 62 FTE's of land acquisition support services, primarily real estate appraisals and land surveys, land title and abstracting, and escrow services can be competitively sourced.

T603 Real Property Acquisition Support Services

STATE	CITY	OCCUPATIONS and # of FTE
OR	Portland	Surveyor (1FTE), Appraiser (4), Cartographer (1), Cartography Technician (2), GIS Analyst (2) Subtotal: 10 FTE
NM	Albuquerque	Surveyor (2 FTE), Appraiser (4), Cartography Technician (4) Subtotal: 9 FTE

MN	Minneapolis	Surveyor (1 FTE), Appraiser (6 FTE) Subtotal: 7 FTE
GA	Atlanta	Surveyor (2 FTE), Survey Technician (1), Appraiser (4 FTE), Cartography Technician (3) Subtotal: 10 FTE
MA	Hadley	Surveyor (2 FTE), Survey Technician (3), Appraiser (4), Cartography Technician (3), Biology Technician (GIS) (5) Subtotal: 17 FTE
CO	Denver	Surveyor (1 FTE), Appraiser (2), Cartographer (1) Subtotal: 4 FTE
AK	Anchorage	Cartographer (2 FTE), Cartography Technician (2) Subtotal: 4 FTE
District of Columbia	Washington	Cartography Technician (1 FTE) Subtotal: 1 FTE
Total		FWS - 62 FTE

- **Investment Management:** In FY 2002, the Service will complete its current study on the feasibility of competitively sourcing its investment management responsibilities to a private sector investment management firm. The Service's investment function entails the investment of over \$475 million in excise tax receipts and appropriations received for the Federal Aid in Wildlife Restoration Fund. The Service's competitive sourcing objectives are to obtain outstanding professional market expertise to maximize earnings for a substantial investment portfolio.

Locations: Washington, D.C. Area and Denver, Colorado

8. Minerals Management Service

Goals: 27 FTE in FY 2002 and 54 FTE in FY 2003

Functions Being Competed or Considered for Direct Conversion to Contract (Identified to date):

FY 2002 and FY 2003: During FYs 2002 and 2003, MMS will review its information technology activities bureauwide for competitive sourcing opportunities or for direct conversion to contract. (The MMS identified a considerable number of FTE in its 2000 and 2001 FAIR Act inventories in the W-Communications, Computing and Other Information Services category.)

Locations: Herndon, Virginia; New Orleans, Louisiana; Anchorage, Alaska; Camarillo, California; Oklahoma City, Oklahoma

9. National Park Service

Goals: 606* in FY 2002 and 1,101* in FY 2003 (*as indicated in NPS' plan)

Functions Being Competed or Considered for Direct Conversion to Contract (Identified to date): The National Park Service (NPS) has engaged a contractor to review its FAIR Act and Inherently Governmental inventories and provide recommendations. The consultant's recommendations will be reviewed in September and a recommended action plan presented to agency management in October 2001. Areas most likely to be studied, based on distribution of the NPS workforce include: administrative areas; maintenance; technical services; natural resources; engineering; and motor vehicle operations. These broad areas contain approximately 60 percent of the NPS employees whose jobs fall into associated functional categories. The NPS will be looking at consolidating multiple locations (especially those with less than 10 FTE) into single reviews in order to maximize efficiency and cost-effectiveness.

In FYs 2002 and 2003, NPS will examine over 1,700 positions, the largest share of commercial activities to be reviewed by Interior bureaus and offices. The NPS is fully aware of concerns regarding the competitive sourcing of maintenance functions, and commits to making this a priority for review in FY 2002. In particular, NPS will closely examine the potential for competitively sourcing maintenance in those geographic locations where contracting options are viable. This would include the major metropolitan areas where NPS is located.

Other programmatic areas in commercial categories that could be studied include technical services such as archeological centers in the regions; specific functional administrative support groups in central offices as well as parks; pre-design services for construction projects; and various aspects of certain maintenance functions in large parks.

In addition to the specific review of existing employees and functions, NPS may consider looking at outsourcing as being the rule, rather than the exception, for any new funding sources that become available to parks, regions, and programs. For example, the FY 2003 budget proposes funding to enhance NPS' capacity to carry out the physical infrastructure program (construction, maintenance, fees). The NPS may consider outsourcing as much of this work as possible before hiring permanent or temporary Federal employees.

As a highlight of planned Servicewide competitive sourcing reviews and actions, the NPS National Capital Region (NCR) (all locations in the Washington, D.C. Area) has provided the following plan for competitive review and sourcing in FY's 2002 and 2003:

**NATIONAL PARK SERVICE - NATIONAL CAPITAL REGION (WASHINGTON, D.C)
FY 2002 COMPETITIVE SOURCING PLAN**

PARK and LOCATION	ACTIVITY/FUNCTION DESCRIPTION	FTEs TO BE STUDIED
White House Liaison* 1. White House Grounds	Grounds maintenance, horticultural work, trash pickup, and sanitation	2
White House Liaison* 2. President's Park	Horticultural activities, gardens and grounds operations, trash pickup and sanitation; seasonal workforce for grounds maintenance	2
National Capital Parks - Central Grounds Maintenance Group	Custodial Services: Complete custodial and janitorial services for rest facilities within the park.	14
National Capital Parks - East 1. Baltimore-Washington Parkway	Grounds maintenance (grass cutting and trash pickup). Eliminate seasonal workforce.	3.9
National Capital Parks - East 2. Piscataway Park	Grounds maintenance (grass cutting and trash pickup). Eliminate seasonal workforce.	2.9
National Capital Parks - East 3. Fort Dupont Park	Management of Summer Theater operation and artist contracts.	0.5
Rock Creek Park 1. Fort Circle Parks	Add acreage to existing mowing contract.	1.1
Rock Creek Park Carter Barron Amphitheater	Custodial services	1.5
Rock Creek Park 3. Parkwide	Removal of invasive exotics	1.5
TOTAL		29.4 FTE

* Although functions at the White House have been identified, they will be subject to special analysis to ensure that the extensive security clearances and round-the-clock responsiveness in all trades can be maintained.

**NATIONAL PARK SERVICE - NATIONAL CAPITAL REGION (WASHINGTON, D.C)
FY 2003 COMPETITIVE SOURCING PLAN**

PARK and LOCATION	ACTIVITY/FUNCTION DESCRIPTION	FTEs TO BE STUDIED
White House Liaison* 1. White House Grounds Grounds maintenance	Horticultural work, trash pickup and sanitation.	2
White House Liaison* 2. President's Park	Horticultural activities, gardens and grounds operations, trash pickup and sanitation, seasonal workforce for grounds maintenance.	3.2
White House Liaison* 3. White House Visitor Center and Ellipse Visitor Pavilion	Maintenance of facility, sanitation and trash pickup.	2

National Capital Parks-Central 1. Grounds Maintenance Group	Sanitation Services-Parkwide trash removal services, including the daily (7 days per week) collection and disposal of all trash in trash receptacles and immediate areas.	12
National Capital Parks-Central 2. Tree Maintenance Group	Tree Work Services - Portion includes cabling, bracing, stump removal and grinding, IPM practices, hazardous tree removals, and root pruning.	4
National Capital Parks-Central 3. Roads and Trail Branch	Road Maintenance and Repair Services- Repair asphalt roadway surfaces, minor resurfacing and cleaning.	3
National Capital Parks-Central 4. Branch of Transportation	Automotive Repair Services for all USPP vehicles and selected heavy equipment repair.	5
National Capital Parks-East 1. Roads Crew	Roads Maintenance-Snow removal and asphaltting/repair of roads	2
National Capital Parks-East 2. Administrative Office	Contracting of personnel services	2
National Capital Parks-East 3. Auto Shop	Increase contracting of auto repairs and services.	2
National Capital Parks-East 4. Telecommunications	Telecommunications Services	3
Rock Creek Park 1. Parkwide	Road Cleaning - Sweeping of park roads	1
Rock Creek Park 2. Parkwide	Trash removal throughout park, emptying trash cans	3.2
Rock Creek Park 3. Parkwide	Horticultural Services-Targeted seeding, fertilizing, mulching, weeding, pruning	2
Rock Creek Park 4. Administrative Office	Contracting of personnel, property management, and inventory services	2
TOTAL		48.4 FTE

* Although functions at the White House have been identified, they will be subject to special analysis to ensure that the extensive security clearances and round-the-clock responsiveness in all trades can be maintained.

10. Office of Surface Mining, Reclamation and Enforcement

Goals: 3 FTE in FY 2002 and 6 FTE in FY 2003

Functions Being Competed or Considered for Direct Conversion to Contract (Identified to date):

FY 2002 and FY 2003: Officewide review for competitive sourcing opportunities will be performed on information technology services and various types of administrative support services identified on OSM's 2000 and 2001 FAIR Act inventory.

Locations: Washington, D.C.; Pittsburgh, Pennsylvania; Denver, Colorado; Alton, Illinois; Indianapolis, Indiana; Birmingham, Alabama; Lexington, Kentucky; Knoxville, Tennessee

11. U.S. Geological Survey

Goals: 131 FTE in FY 2002 and 262 FTE* in FY 2003 * (as indicated in USGS' plan)

Functions Being Competed or Considered for Direct Conversion to Contract (Identified to date):

DIRECT CONVERSIONS COMPLETED IN FY 2001

STATE	LOCATION	# of FTE	ACTIVITY/FUNCTION CODE
VA	Reston	1	R660-Research&Development, Test and Eval.
MD	Laurel	1	R900-Operation and Maintenance of Physical Plant
FL	Gainesville	1	R120-Science and Technology
VA	Reston	1	Y150-Classified Activities
VA	Reston	1	A620-Test and Evaluation Operations
VA	Reston	2	R660-Research&Development, Test and Eval.
MA	Woods Hole	2	R660-Research&Development, Test and Eval.
FL	St. Petersburg	1	R660-Research&Development, Test and Eval.
VA	Reston	7	R660-Research&Development, Test and Eval.
CO	Denver Federal Center	1	S999-Other Installation Services
CO	Denver Federal Center	1	U300-Specialized Skill Training
CO	Lakewood	3	W430-Mapping and Charting
NM	Albuquerque	2	R660-Research&Development, Test and Eval.
NM	Albuquerque	1	T807-Visual Information
NM	Albuquerque	2	W399-Other Computing Services
NV and CA	Reno and Menlo Park	2	R000-Administrative Support (R&D)
WA and CA	Spokane and Menlo Park	7	F120-Systems Acquisition-Program Mgt.
CA	Menlo Park	5	R660-Research&Development, Test and Eval.
CA	Sacramento	14	E500-Water Data Collection/Analysis
Total		55 FTE	

PLANNED DIRECT CONVERSIONS FOR FY 2002

LOCATION	# of FTE	ACTIVITY/FUNCTION CODES
Headquarters (Reston, VA)	21	W826-Systems Design, Dev. and Pgm. Services
Eastern Region (Reston, VA)	24	E500-Water Data Collection/Analysis R000-Administrative Support (R&D) R901-Building and Grounds Maintenance T813-Engineering and Technical Services W310-Computing Services and Database Mgt. W430-Mapping and Charting
Central Region (Denver, CO)	29	E500-Water Data Collection/Analysis R120-Science and Technology R660-Research&Development, Test and Eval. R901-Building and Grounds Maintenance S732-Warehousing and Distribution T801-Storage and Warehousing T813-Engineering and Technical Services W600-Data Center Operations W825-Maintenance of ADP Equipment W826-Systems Design, Dev. & Pgm. Svcs. W829-Client Services
Western Region (Menlo Park, CA)	2	E500-Water Data Collection/Analysis
Total	76 FTE	
Total: FYs 2001 and 2002	131	USGS - 131 FTE

PLANNED A-76 COMPETITIONS IN FY 2003

LOCATION	# of FTE	ACTIVITY/FUNCTION CODES
Lakewood, CO	90	E500-Water Data Collection/Analysis
Lakewood, CO	36	S732-Warehousing and Distribution
Total	126	

PLANNED DIRECT CONVERSIONS FOR FY 2003

LOCATION	# of FTE	ACTIVITY/FUNCTION CODES
Headquarters (Reston, VA)	22	S732-Warehousing and Distribution T813-Engineering and Technical Services
Eastern Region (Reston, VA)	42	E500-Water Data Collection/Analysis R000-Administrative Support (R&D) R660-Research&Development, Testing and Eval. W310-Computing Services W430-Mapping and Charting

Central Region (Denver, CO)	41	E500-Water Data Collection/Analysis R120-Science and Technology R660-Research&Development, Testing and Eval. R901-Building and Grounds Maintenance S732-Warehousing and Distribution T801-Storage and Warehousing T813-Engineering and Technical Services W600-Data Center Operations W825-Maintenance of ADP Equipment W826-Systems Design, Development & Progm. Svcs. W829-Client Services
Western Region (Menlo Park, CA)	31	R120-Science and Technology R660-Research&Development, Testing and Eval. E500-Water Data Collection/Analysis
Total	136	
Total: A-76 and Direct Conversions - FY 2003	262	USGS - 262 FTE

III. COMPETITIVE SOURCING-RELATED TRAINING AND PLANNED CONTRACT SUPPORT

In response to the need for a centralized or corporate approach to competitive sourcing, the Department of the Interior will establish a “one-stop” competitive sourcing function similar to

Department of Defense Commercial Activities Directorates. The organization would be staffed with representatives from a variety of disciplines, who, on a fee-for-service basis, would assist Interior bureaus and offices, either directly, or through contract support, in a variety of competitive sourcing-related requirements including training and contractor support.

Establishment of an Interior Center for Competitive Sourcing Excellence is part of a broader plan to reorganize contracting functions by product/service category or function. The Center for Competitive Sourcing Excellence will be launched by February 2002.

A. Departmentwide Estimated Training Requirements:

In FY 2001, the Office of the Secretary, Bureau of Land Management, Bureau of Reclamation, and National Park Service spent over \$204,320 in providing A-76/competitive sourcing, Contracting Officer's Representative, and performance-based service contracting training to members of their staffs in support of competitive sourcing initiatives.

For FY 2002, the Department of the Interior, its bureaus and offices estimate that \$523,500 will be required to further train and build management and staff expertise in competitive sourcing. The majority of training will be from commercial sources and include instruction in A-76/competitive sourcing processes and tools, developing Most Efficient Organizations (MEO), FAIR Act inventory development and maintenance, cost comparisons and cost comparison software use, and writing and managing performance-based service contracts.

In FY 2003, the Department of the Interior, its bureaus and offices estimate that \$437,500 will be required to provide additional A-76/competitive sourcing training for management and staff.

B. Contractor Support

For FY2002 and FY 2003, the Department of the Interior, its bureaus and offices estimate that \$600,000 per year in contractor support will be required to assist agency management in performing workforce analyses and developing Competitive Plans and strategies. Contract support will also be sought to assist in the development of performance-based work statements, Most Efficient Organizations, cost analysis and comparison, and in performing independent reviews of MEOs and competitions.

